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FEDERAL REPUBLIC OF GERMANY

CDU/CSU Tax Reform Conflict Seen Harming Coalition

36200086 Hamburg DIE ZEIT in German 1 Apr 88 p 4

[Article by Rolf Zundel: "Feud in the Coalition: 'Ripe for Invasion': Annoyance Is Growing Within the CDU About Objections from Munich"]

[Text] Bonn, March—The only real indisputable fact is that the chancellor beat his fist on the table. But there is far less agreement on whether, besides making him feel better, this outburst was politically useful, as well as on what caused it. After all, the CSU was simply once again presenting its justified desire for tax reform, we are told by Deputy CSU General Secretary Huber in Munich. Only those with a malicious mind could have seen something worse behind it. And the fact that there were some elements of tax reform that remained to be smoothed out and improved could in fact, according to Huber, be seen in the notes accompanying the cabinet decision. One of those typical Bonn misunderstandings, it was insinuated, that could have been prevented with a little more calm and foresight.

The chancellor's outburst seemed to be a little more understandable to the FDP: The CSU had jeopardized passage of the reform by the cabinet. And once again it was clear that there is a quarrel between the "parts of the CSU and CDU in Munich," while the Free Democrats kept to their agreements. The CDU general secretary boldly concluded that Helmut Kohl had concentrated on the tax cut "in the national interest." And in the chancellor's office, a decision was made—once it was clear that the indiscretion could not be denied—in favor of the version that of course the chancellor did not threaten to resign, but rather was clarifying matters by exercising his authority.

Everyone more or less agrees about one thing: This is how they would like it. Although Kohl succeeded in getting the required assent of the cabinet to the reform measure, the price he paid for it was that, contrary to Geissler's hopes, talk now is centering not on the blessings of the tax laws, but rather on the unfortunate feud within the coalition. It is also true that the CSU was not grimly determined to, if necessary, let the cabinet break up without reaching a decision; however, the idea had certainly occurred to it, and its doubled-sided game—the CSU representatives who were present again questioned the already-stated position of those not present—incurred defiance in the FDP and provoked Kohl's explosion. Ultimately, no one will imply that the chancellor seriously threatened to resign, but when he exercises his authority, it has only a very small range; as everyone knows, the controversial details of the reform must still be clarified in the course of the legislative process.

Two aspects of this incident are remarkable. First of all, there is the legislative workload, which has brought even a youthful and unified coalition to limit of its capabilities: reforms in tax matters, health care, pensions, the postal service and the consultative law on Paragraph 218. But if this coalition cannot even succeed in effecting tax cuts, how can it push through other reform packages involving cutbacks and sacrifices, especially in curbing health care costs, or principles such as those in the consultative law, which many regard as irreconcilable?

It is very probable that the results will fall short of expectations and even that acceptable results will be overshadowed by the feud during consultations and afterwards. One continually hears the question, asked with a sigh, of whether the coalition has not taken on too much. Even cabinet members are a little uncomfortable about it, once they have taken off their armor of iron-willed public determination. The coalition has an extraordinarily ambitious program for this legislative period, but no major, stimulating reform message. Rather, the buzzword is: We have to make it through. But there is absolutely no guarantee that the coalition has overcome its controversies and can get by with simply declaring its successes in a long, offensive electoral campaign once the long series of Landtag elections begins next year that extends into the run-up to the Bundestag election. It is also possible that during the election, irritation about the reform laws will imperceptibly carry over into disappointment about a lack of accomplishments, and that this controversy could then revive the old feud: Didn't we tell you so!

The effect of Stuttgart on the coalition was clearly in no sense a calming one. The chancellor's fist-pounding did nothing to change that. The FDP is mad because the CDU in Baden-Wuerttemberg, with its distance from the Bonn coalition, scored at the expense of the Liberals. "If people take a lesson from that," fears FDP General Secretary Haussmann, "we will soon be competing for who can distance themselves the farthest from Bonn." And through its comments after the election and its behavior in the cabinet, the CSU has shown that it is capable of exceeding Spaeth's calculated distance by a long stretch.

The lesson of Baden-Wuerttemberg for the FDP was to acquire a sharper image; for the CSU it was to acquire an even sharper image, with respect to the federal coalition as well. And even in the CDU, the program discussion is mixed in with fears about image. The most difficult partner for the coalition here is the CSU, and that is the second remarkable aspect.

This party, which basically jeopardized cabinet passage of the tax reform package because of details, which constantly provides the opposition and the media with cues for criticism, has in the meantime gotten even well-behaved, well-meaning Christian Democrats up in arms. It is true that the outburst of rage by Renate Hellwig ("The rank-and-file of the CDU is ready to

invade Bavaria") and the demand by Graf von Schwerin that the CSU should at least test its strength and run for election nationwide are not indications of current plans within the CDU. However, they are also not, as the CSU in Munich contends, "as insignificant as when a rusty bicycle falls over in the United States." They show that a limit of grief has been reached.

The CSU's independence turns too easily and too frequently into crude egotism and a know-it-all manner. Some of the cool perspective in Munich is being lost—in part with respect to what is happening in that region. Even there, voters have become more mobile; the small local elections have demonstrated this. The CSU, which at one time could rightly say—and this was not least of all Strauss' achievement—that it is the most modern party in the FRG, is in danger of losing part of its dominance. The old integration mechanisms are no longer functioning smoothly, and the party has contracted in its public presentation. There has long since ceased to be a pensive Hans Maier in the cabinet; instead, there are too many people repeating slogans at the top of their lungs. Strauss seems to sense the danger when he attempts, in his old way—although more recklessly than before—to divert the irritation to Bonn. This not only makes work in the coalition there unnecessary difficult, it becomes hackneyed in Bavaria as well. In the meantime, the price of this is beginning to appear too high for many even in the CSU.

12271

Poll Reflects Decline in Esteem for Coalition, Chancellor, CDU

36200087 Hamburg DER SPIEGEL in German
11 Apr 88 pp 18, 19

[Article: "Mixture Between Dallas and a Comedy Barn"; first paragraph is DER SPIEGEL introduction]

[Excerpt] The Bonn coalition is crumbling. It is becoming harder and harder to find the common interests of the coalition but the discord between the partners about minor matters as well as about more important things—the chancellor's leadership style, for example—is becoming louder all the time. To present himself better, Helmut Kohl is considering a cabinet reform for May; he, scoffs a Liberal, wants "to make the congregation more devout by remodeling the church."

When vacationing Helmut Kohl found out about the admonitions of his former friend Walter Wallmann that the Bonn government is "not convincing" and received from him the advice that in democracy "leadership is also needed," he had an outburst of anger. The chancellor instructed Wolfgang Schauble, chief of the federal chancellery, to call the Hessian prime minister to order publicly.

The chief of the chancellery resisted only briefly. A little later, he expressed himself as desired with respect to Walter Wallmann in an interview: "If everyone minds his own business, everything will be all right."

While the head of the government was slimming down at Wolfgangsee, those left home, in Bonn as well as in the provinces, provided for some real entertainment, depending upon their temperament in shrill or, less frequently, moderate tones. Officials of the CDU/CSU lash out at each other and Liberals attack party friends as well as partners in the coalition. Perplexing friendships arise; the fronts are complicated. Only the opposition is able to take pleasure in the free spectacle.

For someone in Bonn, the whole thing is not at all funny. Whether Franz Josef Strauss wants to tape coalition talks in the future, whether Otto Graf Lambsdorff is giving some thought from Tokyo to a new SPD-FDP alliance, whether Lothar Spaeth speaks of a "crossroads," or whether only such parliamentary back-benchers as Guenther Mueller (CSU) or Josef Gruenbeck (FDP) desire new elections, all this shows Helmut Kohl's debacle: only with difficulty is he still able to hold together the forces now drifting apart in his own shop and in his own administration.

The alliance is crumbling. Notorious complainers such as Strauss are on the ascendancy. The risk in party politics for such critics of Kohl as Wallmann or Spaeth is becoming less all the time. Inhibitions are diminishing because the chancellor's authority is disappearing. Gradually everyone is able to take part in the dismantling.

At times, the presentation is becoming grotesque. There has been an open exchange of blows between the sister C-parties since Kohl's spontaneous threat to resign, with which he had responded to the CSU's proposals for changes in the tax reform. Since then, no one in the chancellery knows whether Strauss is serious about his demand for tape recordings or whether he was just making a lot of noise. Or was this just his way of declaring his old discomfort with the chancellor's fuzzy noncommittal statements?

In any case, the FRANKFURTER RUNDSCHAU advised the government in the future to bring in a "Bavarian interpreter and sworn notary." But is one notary enough for three parties? Is, as Erwin Huber, deputy general secretary of the CSU, suggested, a notary enough for three parties? Or maybe a town clerk will do, as Erwin Huber, deputy general secretary of the CSU, suggested. Beyond the tape recordings, at any rate, the Social Democrats also want TV coverage for "perfect enjoyment;" from this, one can expect "a mixture of Dallas and comedy barn."

Or maybe "Blue Coat" ["Blauer Rock"]? On the weekend, the magazine "Soziale Ordnung" of the CSU social committees called Franz Josef Strauss a "once roaring,

powerful lion" that "intellectual and physical decline but probably also the pick-me-up alcohol had turned into the form of a toad that now just grumbles in public letters." CSU party friend: "Humanly disgusting." In any case, a summer theater at Easter time, "Easter festivals" of the coalition, as Otto Graf Lambsdorff put it.

But the situation is anything but amusing—for Kohl, according to a member of the cabinet from the FDP, it is downright "dramatic." The Free Democrats are alarmed over the latest results of the Infas political poll that for this reason is not supposed to be published: they show the decline in the prestige of the CDU, chancellor and coalition.

According to the poll, more than one-third (37 percent) consider the CDU "worse" than 2 years ago and 25 percent now assess the Liberals lower. The SPD comes off more favorably: only 17 percent are less satisfied with the comrades.

The marks for the government are devastating. The question of whether it is doing a "good" job of handling its responsibilities was affirmed by only 9 percent in March (February: 10 percent). "Rather good" was the opinion of 32 percent (33 percent in February). A heavy majority of 58 percent voted with "bad" or "rather bad."

The head of the government also fares badly. Only 30 percent find him good, whereas 55 percent consider him bad. The comparison with the chairman of the SPD is downright disgraceful: 53 percent (February: 50 percent) prefer Hans-Jochen Vogel as chancellor and 38 percent (41 percent in February) favor Kohl.

The consequences are apparent everywhere. A disengagement movement is getting under way in the CDU. So as not to be pulled under, the Liberals are taking an opposing position. Kohl is getting nervous, especially since after the election in Baden-Wuerttemberg the crown princes Wallmann and Spaeth are separating themselves from him more and more discernibly.

9746

Greens' Deputy Calls for Party Reorganization
36200084 Munich SUEDEDEUTSCHE ZEITUNG in
German 25 Mar 88 p 1

[News report by Klaus Dreher: "Antje Vollmer: Greens Need Cultural Revolution: Bundestag Deputy Seeks Support for Plebiscite of All Party Members on Future Course"]

[Text] Bonn, 25 Mar—Green Bundestag Deputy Antje Vollmer has called on the members of her party to actively support the plebiscite initiated by her. In an interview with SUEDEDEUTSCHE ZEITUNG, Ms Vollmer said that only through such a plebiscite could

the party become "democratic, mobilized and free of encrustation." A party like the Greens needs "from time to time something like a cultural revolution," the deputy said.

Together with 12 other members of her party, Ms Vollmer has founded an initiative called "Green Emergency 88." This is also supposedly the name of a manifest currently being worked on by the initiators, which besides Ms Vollmer include Deputy Christa Nickels, former executive committee spokesman Lukas Beckmann and Adrienne Goehler and Thea Bock. The most recent meeting of this group in Falkenstein im Taunus was attended by 57 interested people. Another meeting is planned for 7 May in Cologne. The manifest that the group is writing is among the papers that would be decided upon in the plebiscite. According to the statutes of the Green Party, this type of plebiscite would have to be agreed to by one-third of the Kreis sections for it to be held. This means 120 out of 360 Kreis sections. About this, Ms Vollmer said that the Kreis sections currently represent "the eye of the needle," through which her initiative must be thread. Opposition, she said, was coming from the "blocks with territorial claims" and "clogged-up party caucuses." The fundamentalist/ecosocialist faction in particular is supposedly putting up resistance to a plebiscite. Vollmer said that she is afraid "of being thematically relegated to the minority through this idea." Jutta Dittfurth has reportedly said that she finds a plebiscite "utterly boring." However, Vollmer thinks that even the realist faction has problems with a plebiscite since they are still uncertain whether they are thematically up to the task.

The initiators will seek support for their project at the Greens' national convention this weekend in Ludwigshafen. However, decisions about it are not expected. Ms Vollmer feels that the party will go into a "holding position" in Ludwigshafen. The June strategy congress in Troisdorf will be the first event of importance, she said. Still, clear decisions about the party will supposedly not be made until next year, when the most important leadership positions on the national executive committee and in the parliamentary caucus will be refilled. Jutta Dittfurth will leave the national executive committee at that time. In Ms Vollmer's view, the course for the 1990 Bundestag election campaign will be set next year.

Prior to these decisions about the future of the Greens, Ms Vollmer wants to "revolutionize the party from the bottom up." For her, the result of the debate about the plebiscite is less important than the process leading to it. She feels that the question of whether it is possible "to practice a completely different party model" is of critical importance to the Greens. The idea is to break up encrustations "that are, after all, floating around in other parties as well," said Ms Vollmer. If there is a plebiscite among the Greens—although the option is solidly anchored in the party statutes, it has yet to be used—

then this must be viewed as a "signal for societal plebiscites," she said. Ms Vollmer considers the democratization debate to be "just as exciting as the debate on quotas for women."

Antje Vollmer had very critical things to say about the current state of the party. Since the Greens got off somewhat lightly in the election in Baden-Wuerttemberg, she said, the party has been dominated by the comforting thought that "it will be all right as long as the guys up at the top don't lay into each other." With this type of basic attitude, however, the Greens could not continue to exist for long, since the party must clearly recognize that despite a potentially very long phase in the opposition, it can nonetheless be of critical influence on society. At present, Vollmer said, there is a "process of emaciation at the grass-roots level." Many members are filled with resignation, or are seeking refuge in routine matters, she said. She sees the party caucuses right now as basically nothing more than a "collection of factional chairmen."

The failure of her efforts to reorganize caucus work in the Bundestag— together with others, Ms Vollmer wanted to install a caucus executive committee that was to consist only of deputies independent of the factions— did not discourage her, she said. She realizes now that the intentions of the initiators were not properly understood. The idea, she said, was to overcome the deadlocked debate by having the realists and fundamentalists take a back seat for one year. The same process would have had to have been repeated in the national executive committee, and the members of the factions would have had no interest in that, she said. The current caucus executive committee, in which there are three fundamentalists, three realists and three independents, is "strangely muted." There is no new departure, no new beginning, there is "no fresh breeze coming down from the mountain."

12271

FINLAND

Swedish VPK Press Organ on New Editor for KANSAN UUTISET

36500094 Stockholm NY DAG in Swedish
31 Mar-6 Apr 88 p 16

[Article by Ari Setälä: "New Chief Editors in Finnish Leftist Press—Goals Are Openness and High Quality"; first paragraph is NY DAG introduction]

[Text] The newspapers KANSAN UUTISET and SUOMEN SOSIALIDEMOKRAATTI are the flagships of the Finnish labor movement. They recently changed editors at the same time. The new, young chief editors Yrjö Rautio and Jukka Halonen both believe that the time for narrow and propaganda-filled party newspapers is past. Because not even one Finnish workers' newspaper any longer has a faithful and homogeneous circle of

readers. No, their readership is many-faceted. Therefore, they are both aiming to raise the quality of their newspapers, make them politically sharper in tone, outwardly oriented and worth reading.

Erkki Kauppila is the name of the man who was the chief editor of Finland's largest labor newspaper, KANSAN UUTISET (KU), for 14 years. It is the main organ for both the Finnish Communist Party (FKP) and the Finnish Social Democratic Party (DFFF). At the end of January Kauppila left KU to take his pension.

It was fairly easy to find a new chief editor among the 15 or 20 who expressed an interest in the job. It was Yrjö Rautio, 39, born in the Finnish town of Overtornea. For the past five years he has been the chief editor of KANSAN TAHTO (The Will of the People), which is the five-day newspaper of DFFF in Uleaborg.

Rautio is also the man who wrote the new party platform which the FKP adopted at its party congress last year.

Rautio is known as a quick and skillful journalist, which pleases the other journalists at KU. They prefer a journalist to a politician as chief editor.

The change of chief editors at SUOMEN SOSIALIDEMOKRAATTI (SSD), which is the main organ of the Social Democrats, happened in an entirely different way. One could say it was more in the nature of a coup.

The management of SSD suddenly decided to remove the 49-year-old chief editor, Seppo Heikki Salonen, and replace him with 27-year-old Jukka Halonen, who came from the conservative evening paper IITALEHTI. Journalists at SSD were completely surprised, and protested against the way it was done.

How do these new chief editors expect to run their five-day newspapers, with printed issues of 40,000 and 30,000 respectively, in a mass media market where the nonsocialist press is 10 times greater, and totally dominant?

"The day of the proclaiming and propagandist labor newspaper is absolutely past. We must make room for different thoughts and opinions," said Yrjö Rautio of KU on the same day as he was named chief editor. And in his first column in KU's editorial page in March he continued:

"KANSAN UUTISET is already a quality newspaper, but it will become an even better quality newspaper. Labor newspapers have no future if we depend on increased government press support and the party loyalty of the readers. The only newspapers which will survive into the 90's are those which succeed in the competition for quality.

"I believe that a KANSAN UUTISET which is politically sharp, free of prejudice, broad and open, reliable and readable, can be the winner in such a competition."

New Role

"Our role as the main organ of the Finnish Social Democratic Party has in the past been that even when reporting the news we start with the assumption that our party is right. This is not credible. Henceforth we will write the news as news, and the commentary will be something else."

This was said by Jukka Halonen in an interview in the Finnish LO [Trade Union Confederation] newspaper, which interviewed both new chief editors.

"We will follow the different trends and thoughts in society, and dig up the real problems."

According to Halonen this does not mean that they will disregard politics, but that it will be dealt with in an entirely new way. One cannot build a living newspaper in the straitjacket of a party organ, said Halonen.

In the same article in the LO newspaper, KU's Yrjö Rautio emphasized the importance of adhering to a high journalistic level, and the skill of journalists as professionals.

Ilkka Tervonen, who is conducting a reader poll of Finnish labor newspapers, feels the same way.

"If a labor newspaper wants to develop and stand on its own feet it must think of itself as a journalistic product," he said. "If the newspaper does not expand, it will not survive. There is no longer any organizational apparatus which is so strong that it can automatically guarantee a certain issue."

09287

PORTUGAL

Poll Reveals Drop in PSD's Uncontested Majority

35420066a Lisbon EXPRESSO in Portuguese
1 Apr 88 pp 1, 6

[Text] The PSD, scoring 44.1 percent in people's voting intentions, would still win an absolute majority of deputies in the Assembly of the Republic. It would be in a weaker position than it was after the elections of 19 July last year, but no party would be capable of challenging its political leadership, since the PS, which is the only opposition force with significant electoral strength at this moment, stands at 24.7 percent—a considerable distance behind the Social Democrats—according to the latest regular poll of the EXPRESSO/EUROEX-PANSAO Panel, which was conducted from 18 to 20 March (that is, before the general strike).

But the PSD, which managed to attract much broader support during the months immediately following the elections (reaching 62.9 percent last November), has been losing its potential voters at a gradual and steady rate, and its percentage is now at the threshold below which it would lose its majority in Parliament. That downward trend has been accompanied, incidentally, by the growing loss of popularity which Cavaco Silva and his government have also been experiencing.

PSD Same as Cavaco

The prime minister, whose level of support a few months ago was equal to that enjoyed by Mario Soares and who ordinarily is more popular than his party, is now 22 points below the president and at the same level as the PSD. Cavaco Silva may therefore have lost part of his ability as a great polarizer of votes for the Social Democrats, with the PSD now being exactly as attractive to voters as he is.

Lack of Alternative

That situation may also be due to the fact that voters do not see any other party as a viable alternative to the PSD, since most voters who have given up their intention to support Cavaco's party are joining the ranks of the undecided or abstaining rather than reverting to the benefit of the opposition parties. Intentions to vote for the PS, which is in the best position to play the role of an alternative, have varied between 23 and 27 percent as the months have passed, and the PS has not recorded any real gain. And while the CDU seems incapable of getting past 10 percent, the figures achieved by the CDS and the PRD [Democratic Renewal Party] are practically without significance.

General Deterioration in Politicians' Image

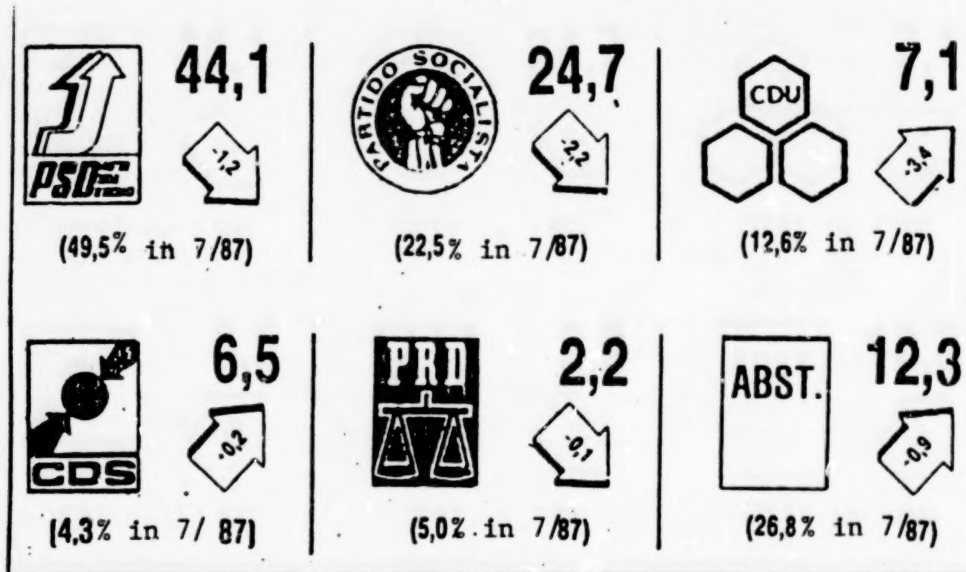
At the same time, Vitor Constancio is unable to get his popularity above a relatively modest level—it is much better than that enjoyed by Freitas do Amaral, Herminio Martinho or Alvaro Cunhal, but he is nowhere near Cavaco Silva, who enjoys almost twice as much favorable opinion.

The first quarter of 1988, with its worsening of social conflicts and political erosion, has spared only Mario Soares' popularity. The prime minister and the government are at their lowest levels, the opinion of opposition leaders in general is more unfavorable than favorable and the political parties have been affected, with none of them benefiting from the erosion suffered by the others.

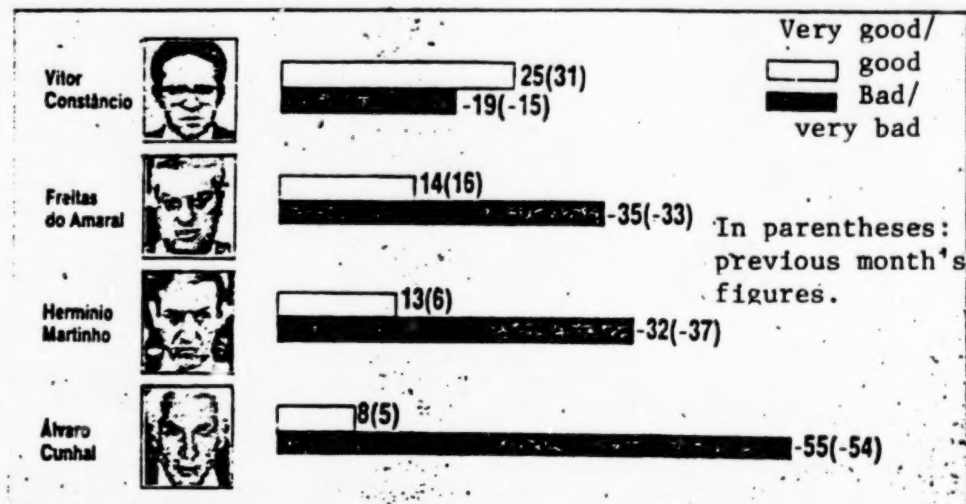
The image that Portuguese have of the chief participants in political life is undeniably worse than it was a short 6 months ago.

The March poll of the panel, which was conducted early last week—and therefore before the general strike—confirms the severe erosion that the Social Democrats

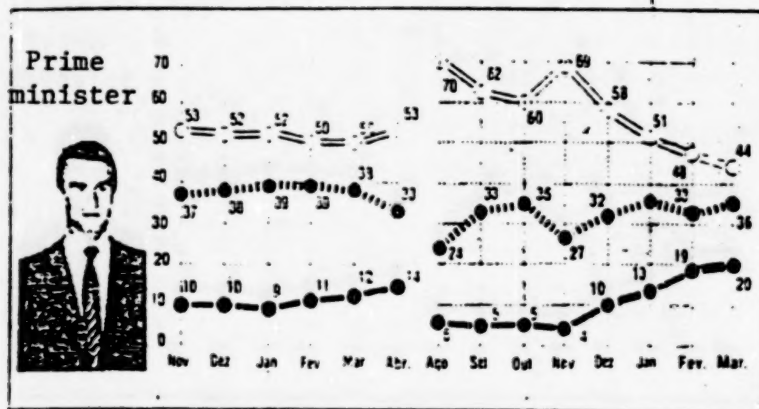
Voting Intentions in March 1988



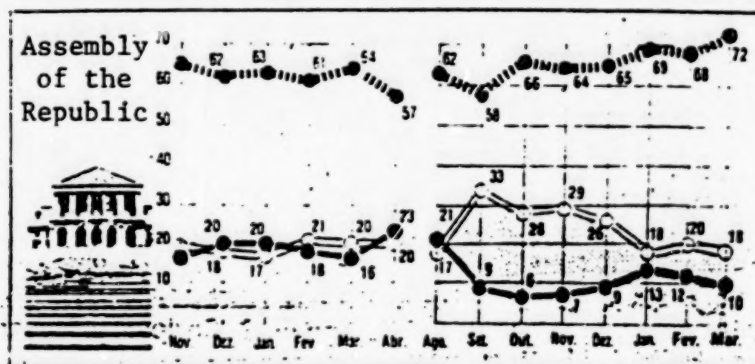
The PSD has halted its sudden drop of a month ago, but the other parties are not picking up the voters lost by the Social Democrats. Those voters are joining the ranks of the undecided or abstaining.



Vitor Constancio is holding on to his position as the only opposition leader with a positive balance, but like Freitas do Amaral, he is losing in popularity. Freitas is now in an even worse position than Herminio Martinho.



The prime minister has lost over one-third of his popularity in the space of 4 months. But the most popular opposition leader is still nearly 20 points behind him.



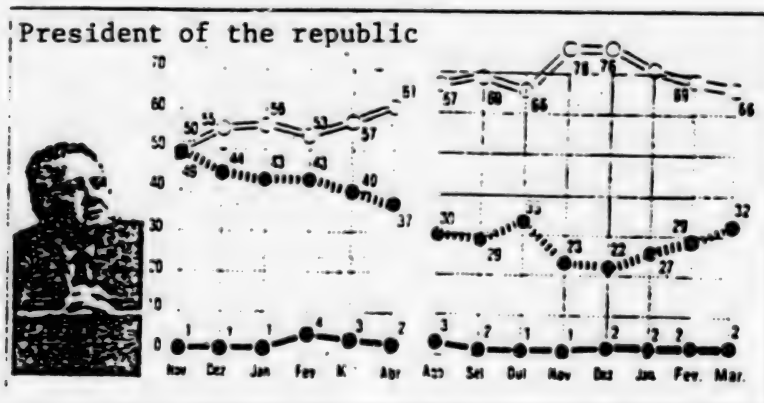
Very good/good
 So-so
 Bad/very bad

Parliament still has a positive balance of 8 points, although the majority is now indifferent to its behavior.

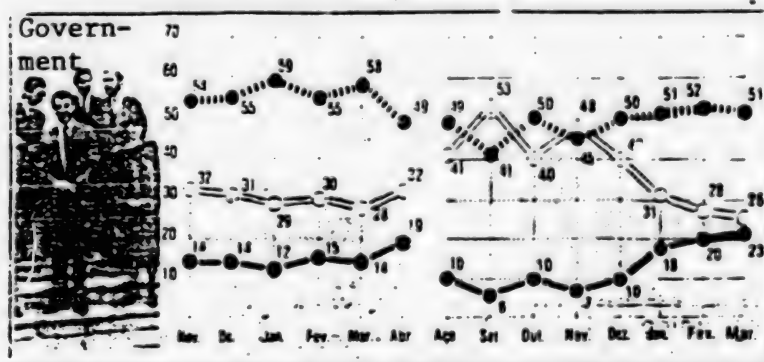
have been experiencing uninterruptedly over the past few months. Cavaco Silva, the government and even the PSD are simultaneously experiencing a drop in their percentages, and it remains to be seen how far and at what point that downward trend in their popularity will be interrupted or even reversed.

The prime minister, who just a few months ago was vying with Mario Soares for top spot in the popularity polls, now enjoys a positive balance of 24 points, whereas the president of the Republic's positive balance continues at over 60 points. The government is showing

its worst result ever with almost no positive balance (only 3 points), and that is even less than the figure achieved by the Assembly of the Republic (usually the organ of sovereignty with the worst image). The PSD, which is down to 44.1 percent in people's voting intentions, has not made up for its sudden drop of 17 points 2 months ago, but it has stabilized its position thanks to the lack of a political alternative in the eyes of the public: The votes it loses shift mainly into the undecided or abstention column rather than reinforcing its direct opponents.



Mario Soares continues to have a solid bloc of support, remaining unscathed by the changes and conflicts in the political situation.



None of Cavaco Silva's governments has dropped as low in popularity as the current one has this month. Unfavorable and favorable opinions are almost equal.

Vitor Constancio, on the other hand, experienced the loss of a few points won for him by the PS Congress a month ago, but he is still the only opposition leader showing a positive balance.

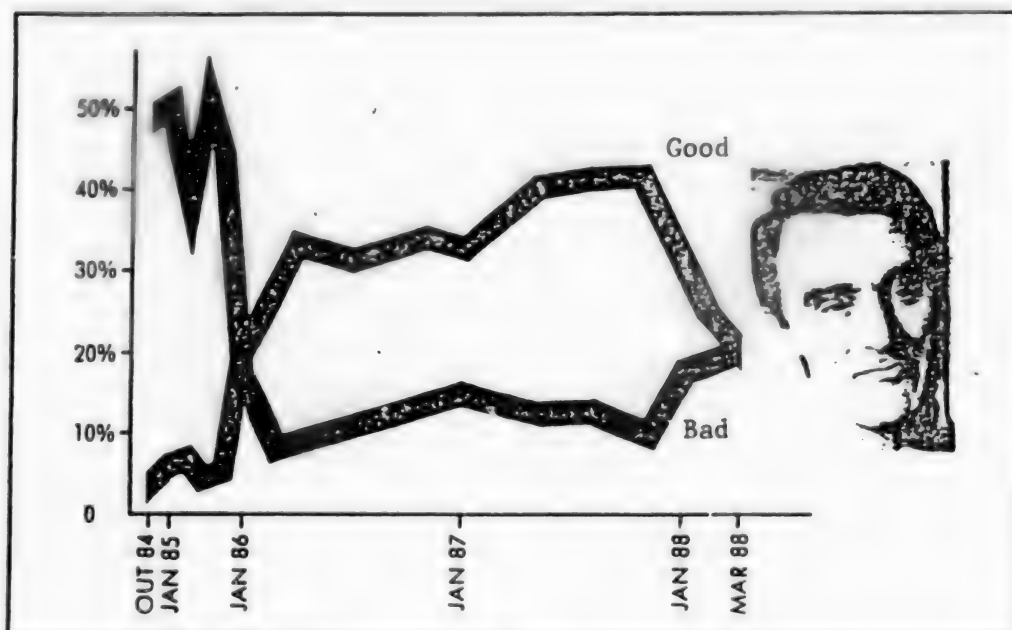
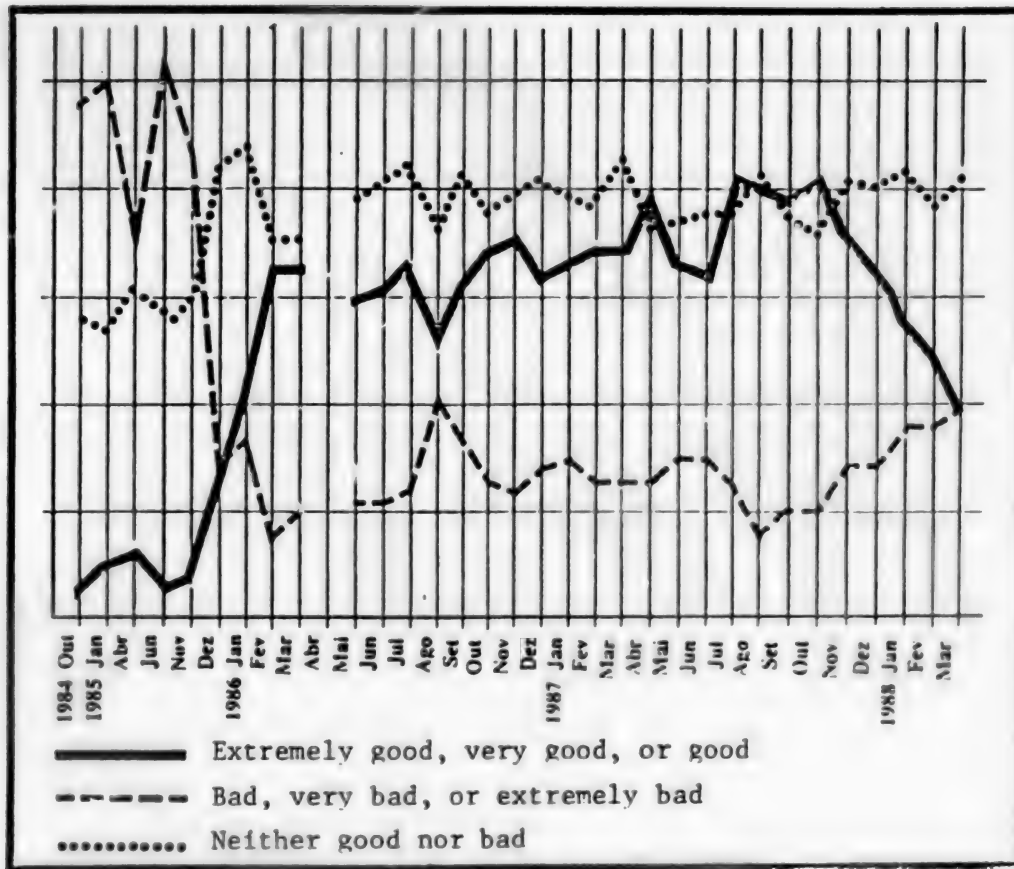
Technical data: The poll was conducted from 18 to 20 March. The universe consisted of voters on the mainland. The sample ranges from 500 to 550 individuals, comprises about 270 sampling points, and is obtained from a card file based on a stratification of the universe by region, place of residence, sex, age, level of education, and voting option. Respondents were interviewed personally by telephone. Confidence interval: the maximum semirange, with 95-percent probability, is from 4 to 4.5 percent. EUROEXPANSAO is responsible for the poll, and EXPRESSO is responsible for analysis of the results.

Cavaco Popularity Seen Highest Among Working Class

35420073 Lisbon SEMANARIO in Portuguese
16 Apr 88 pp 1, 7

[Article by Jose Pedro Barreto; first two paragraphs are SEMANARIO introduction]

[Excerpt] The lower classes are the ones expressing the most satisfaction with the government's performance in recent months—that is the surprising finding in the latest NORMA-SEMAMARIO poll. The same is true of opinion concerning Cavaco Silva's performance as prime minister. The middle classes are divided, with the upper segments of that social group expressing the most displeasure with the government and its leader.



But while Cavaco remains popular (although less so), the government is in a decline (see graphs). Indifference is up, and the number of supporters has now fallen to the point that it equals the number of those considering the government's performance poor. The government's strongholds continue to be Greater Porto and the Interior, especially in the north. Dissatisfaction is concentrated on the coast and in Greater Lisbon. The poll refers to the month of March.

The most surprising finding in this March poll of government popularity is that the loudest applause for the government's performance is coming from the lower classes of society. What is more, dissatisfaction has climbed the social ladder and is now to be found among the higher classes.

While that finding is surprising, another one also strikes the eye: For the first time since the government became the Cavaco Silva government, the satisfied and the dissatisfied are equal in numbers. It is not so much that the latter have increased, but rather that the former have decreased in numbers. That is, the government's popularity has declined more than its unpopularity has risen. Why? Among other things, because there has been a further increase in the indifference felt by those who think that the government's performance is neither good nor bad. As was seen the month before, disillusionment does not necessarily lead to a radical change of opinion, and not all of the former supporters are going to join the legions of recent converts to displeasure.

Who are those who are remaining faithful and continuing to feel that the government has done its duty over the past few months? Mostly men. And they live in Greater Porto and, generally speaking, in the North Interior Region. They are of the lower class, as was already said, and in the oldest age group—over 54 years of age.

As for those who think badly of the government, they are also chiefly men (can it be true that despite everything, political opinion still gets along best with the smoke of cigars?). But these men live in Greater Lisbon and predominantly on the coast. As for the social class to which they belong, it would be a surprise if it had not already been mentioned above: they belong to the upper class. The rich in opposition—this presents us with a sociological category which is at least as unexpected in Portugal at this moment as that of a satisfied proletariat.

Interior Approves of Cavaco

The government has therefore reached the "red line" in popularity following a steady decline that began in October—the very month in which it reached one of its peaks. If the trend continues, NORMA's next poll will reveal a first for the Cavaco Silva government: a dissatisfied majority.

Dissatisfied with the government, but not with its prime minister. The way in which Cavaco Silva is doing his job still meets with the approval of a majority of Portuguese. But that majority, too, has declined since the previous month (February). In February, it stood at around 43 percent, but by March it had fallen to 35 percent. Disapproval was expressed by 26 percent—only 1 point more than the month before. Here again, favorable opinion is dropping more quickly than unfavorable opinion is rising—and there is also an increase over the previous months in the number of those not expressing any opinion: 39 percent now, compared to 32 percent earlier.

The attitude toward the prime minister's performance is not, however, constant by region. While Cavaco Silva is appreciated by the majority in the interior regions (North and South, and especially the former) and even on the coast (less than in the interior), disapproval of him in the large urban centers of Greater Lisbon and Greater Porto is gaining—chiefly in the capital. It should also be noted that dissatisfaction with the prime minister's performance increases along with the number of inhabitants in each locality.

Here again, it is the men who have the most definite opinions. It is they who are most approving of Cavaco Silva—but it is also they who are most disapproving of him, while 45 percent of the women do not know or did not respond. The 45-54 age group is most appreciative of the head of government, who is least popular among young people between the ages of 15 and 24.

Would it come as a surprise to learn that those who like Cavaco Silva the most are the lower social classes? That is what the poll says, thus confirming the data on the popularity of the government. Scoring low in the lower middle class, Cavaco Silva is clearly rejected by the upper classes—the only classes where the majority disapproves. To tell the truth, though, the largest number of undecided voters are at the bottom of the social ladder.

Opinion of Cavaco Silva's Performance as Prime Minister

| Opinion | Total | Region | | | Place of residence | | | Sex | | Age | | | Socioecon.stat. | | | | | | | |
|-----------------------|-------|--------|------|------|--------------------|------|--------|----------|------------|------|------|-------|-----------------|-------|------|------|------|------|------|------|
| | | (4) | (5) | (6) | (7) | (8) | to 2 M | 10-100 M | over 100 M | M | F | 15-24 | 25-44 | 45-54 | 55+ | (9) | (10) | (11) | (12) | |
| Approva (1) | 35.2 | 26.5 | 26.3 | 29.3 | 65.0 | 39.4 | 40.7 | 31.7 | 29.3 | 15.3 | 36.3 | 25.9 | 36.7 | 28.9 | 42.0 | 41.4 | 30.6 | 37.0 | 32.8 | 38.2 |
| Desaprova (2) | 25.8 | 46.4 | 27.7 | 19.2 | 11.5 | 23.4 | 16.6 | 26.5 | 43.9 | 62.6 | 30.9 | 21.2 | 25.6 | 29.5 | 34.2 | 28.4 | 17.4 | 40.5 | 26.5 | 23.5 |
| N/sabed/N/respnde (3) | 39.0 | 27.0 | 46.0 | 51.6 | 23.5 | 37.1 | 42.7 | 41.8 | 26.8 | 22.1 | 32.3 | 45.0 | 48.6 | 33.7 | 36.9 | 29.6 | 41.2 | 24.9 | 36.5 | 43.7 |

Key: 1. Approve 2. Disapprove 3. Don't know/no answer 4. Greater Lisbon 5. Greater Porto
6. Coast 7. North Interior 8. South Interior 9. Upper 10. Upper middle 11. Lower middle
12. Lower

Opinion of This Government's Performance Over the Past 4 to 5 Months

| Opinion | Total | Sex | | Age | | | Socioecon. status | | | | Region | | | | Place of residence | | | | | |
|----------------|-------|------|------|-------|-------|-------|-------------------|------|------|------|--------|------|------|------|--------------------|------|--------|----------|-----------|------------|
| | | M | F | 15-24 | 25-44 | 45-54 | Over 54 | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | to 2 M | 10-100 m | 100-500 m | Over 500 m |
| Extremely good | .7 | .8 | .6 | — | — | .7 | .4 | 1.9 | .4 | .2 | .3 | 2.4 | — | .7 | 2.8 | .3 | 1.1 | .2 | .6 | — |
| Very good | 1.2 | 1.5 | 1.0 | 1.3 | 1.3 | 1.5 | .9 | 1.0 | 1.0 | 1.2 | 1.6 | .7 | 1.5 | .9 | .8 | 1.3 | 2.0 | 1.1 | .4 | 1.5 |
| Good | 16.8 | 18.0 | 15.8 | 13.2 | 18.8 | 13.8 | 19.1 | 18.9 | 19.5 | 14.8 | 14.8 | 21.7 | 13.5 | 14.0 | 12.4 | 36.2 | 14.6 | 18.9 | 12.8 | 17.9 |
| So-so | 42.1 | 43.2 | 41.1 | 43.2 | 43.5 | 40.2 | 38.4 | 43.4 | 42.9 | 48.2 | 40.9 | 35.0 | 39.7 | 34.6 | 43.1 | 44.3 | 47.2 | 43.3 | 46.9 | 44.6 |
| Bad | 13.9 | 17.3 | 10.9 | 12.5 | 10.3 | 19.2 | 18.3 | 12.0 | 18.2 | 14.0 | 14.7 | 8.6 | 25.9 | 16.5 | 9.4 | 5.6 | 13.2 | 8.7 | 12.5 | 19.1 |
| Very bad | 3.8 | 3.0 | 4.5 | 5.3 | 5.8 | 4.1 | 4.0 | 1.1 | 5.7 | 3.9 | 2.8 | 4.0 | 6.2 | 4.3 | 4.2 | .5 | 1.9 | 2.6 | 3.4 | 2.3 |
| Extremely bad | 1.4 | 1.4 | 1.4 | .5 | 2.0 | 1.4 | 3.0 | .8 | 3.1 | 2.3 | .5 | .5 | 2.6 | 2.1 | .8 | 1.4 | .3 | .4 | 3.9 | .4 |
| Don't know | 12.5 | 8.9 | 15.7 | 16.3 | 10.6 | 11.3 | 13.6 | 10.6 | 6.0 | 7.6 | 16.4 | 17.4 | 4.4 | 20.1 | 17.1 | 4.5 | 17.0 | 15.3 | 13.2 | 11.7 |
| No answer | 7.5 | 5.9 | 9.0 | 7.6 | 7.7 | 7.7 | 2.3 | 10.2 | 3.2 | 7.7 | 8.0 | 10.1 | 6.1 | 7.6 | 11.5 | 3.4 | 3.6 | 8.6 | 6.6 | 1.9 |
| | | | | | | | | | | | | | | | | | | | | 4.4 |
| | | | | | | | | | | | | | | | | | | | | 15.5 |

Key: 1. Upper 2. Upper middle 3. Lower middle 4. Lower 5. Greater Lisbon 6. Greater Porto 7. Coast
8. North Interior 9. South Interior

Technical Data

1. Universe: The universe for this poll consists of the entire population over 15 years of age and living in continental Portugal, excluding the inhabitants of places with 10 or fewer households. The number of individuals referred to above is estimated at 7,465,000 for 1988. Sample: 2.1: Sampling method: Random stratified technique based on region (geographic dimension) and place of residence (sociological dimension) and nonproportional imputation by stratum were used, with attention being paid to degree of heterogeneity in distributing the sample. In the processing of data, a system of weighted factors for stratum and balance with respect to age, sex, and socioeconomic class was applied to make the sample representative of the universe. Selection of the sample was multistaged: within each stratum, localities were selected using random selection techniques. Sampling points: in each locality, homes were chosen by a random route method using addresses that were also selected at random. In each of those homes, the Kish method was used to select individuals (one individual in each home). 2.2: Sample size: The size of the sample used in this study was 937 interviews conducted as indicated in the following section. 3. Technique: The technique used was that of direct personal interviews in the homes of the respondents using a structured or semistructured questionnaire.

11798

Pessimistic Evaluation of PS' Future Vis-a-Vis Cavaco Silva

35420078b Lisbon EXPRESSO in Portuguese
23 Apr 88 p 3

[Article by Jose Antonio Saraiva: "The Alternative?"]

[Text] Theoretically, the time is ripe for the Socialist Party [PS] to wield considerable influence among voters.

In the first place, the PS recently held its congress, at which the party leader, Vitor Constancio, won an unprecedented majority. In the second place, a relatively successful general strike was just held by the UGT socialists, a supreme moment in the struggle against the government. In the third place, the PCP and the PRD, the two parties that could challenge the PS for leftist votes, have been bogged down with serious internal crises, to which they have found no satisfactory solutions. In the fourth place, the government and the prime minister himself are going through difficult times, with a significant decline in their popularity. Yet with all of this, what do we see? We see that if elections were held tomorrow, the Socialist Party would gain few votes over last July's election results and the PSD [Social Democratic Party] would again win a comfortable absolute majority. How can we explain this?

In my opinion, there is only one explanation: The majority of Portuguese, even many of those who disagree with the way Cavaco Silva has been running the government, see no alternative. In other words, the only government that most people in the country, whether content or discontent, continue to visualize is the current one; and they do not believe that the opposition parties, and particularly the Socialist Party, could form another administration.

Thus the people who are disillusioned with Cavaco and his cabinet would not shift their votes to the PS. And the people who no longer believe in the Communist Party or in the survival of the Reformist Party would not join the socialists. You may say that it is still early for voting shifts to begin to be felt. Perhaps.

However, for now the outlook does not appear encouraging for the PS—which gained few votes at a time when it had everything in its favor. The problem for the socialists, therefore, is this: If the PS is not able to move closer to the PSD at a time when Vitor Constancio is experiencing a rare moment of internal peace and the government is the target of attacks on various fronts, what will happen when rivalries return to the socialist camp and Cavaco Silva begins his election campaign?

Because let there be no doubts: The calm prevailing over the PS is artificial—and, when elections draw near, the prime minister will have all the means at his disposal to demonstrate the virtues of his government to the Portuguese people. If the Socialist Party does not manage to bring a good percentage of the disillusioned into its camp in the coming months, this could mean that these people are going to maintain an expectant attitude up to the new elections, which Cavaco Silva will have no trouble in converting again into votes for him.

09805

CGTP Leader Calls for PS, PCP Common Undertakings

35420066b Lisbon O JORNAL in Portuguese
31 Mar 88 p 8

[Excerpt] O JORNAL has been told by Jose Luis Judas that the PS and the PCP must respond to the yearnings of the workers. The CGTP leader and Communist militant therefore acknowledged that the setting up of an alternative would mean changes in those two political groups.

"The PS cannot be asked to stop being the PS, nor can the PCP be asked to stop being the PCP," explained Jose Luis Judas, who stressed the need for changes in those two political forces "so as to maximize the strength of the social movement."

Giving political expression to the worker strength revealed in the work stoppage on 28 March was, incidentally, the new element in the speeches delivered by Jose Luis Judas last Monday morning at numerous firms on the south shore.

The emphasis placed on that objective by the CGTP leader depended objectively on the particular audience he was addressing. With the results of the general strike now known and the lessons to be learned from the path of "unity in action" recognized by all, Jose Luis Judas has made the qualitative leap.

11798

PS' Rapprochement With, Patronage of PCP Seen as Dangerous

35420074a Lisbon SEMANARIO in Portuguese
16 Apr 88 p 6

[Article by Jose Miguel Judice]

[Text] The PS is allowing the PCP into the club without paying its dues, not requiring that the communists change. The "popular front" is thus a strategic error on the part of Constancio, of which Cavaco Silva will not fail to take advantage.

In recent times we have witnessed the first electoral alliance at the union level between socialists and communists since the ebb of the revolutionary tide, in the Union of Bank Employees of the South and the Islands; it was known that the PS would go officially to participate in the "unification" commemorations of the 25th of April and above all it was noted that the PS had retreated from what is referred to as the grand reformist themes, closing itself up in positions more to the left and, at least in my opinion, more backwards than during the "Soarism" times.

What is certainly curious is that all this is occurring at a time when the communist part is passing through one of the most critical moments in its recent history, which crises that cannot now be concealed or attributed to Machiavellian maneuvers of reactionary forces. The PCP crisis is becoming compatible with effective communist political-social leadership on the battlefield, as a result of a pronounced increase in a kind of "ghetto" of alliances and above all, as a result of increased ideological influence of the "party" in the way of fundamental materials for the antireformist struggle, which obviously constitutes the grand strategic objective of the PCP in this area: the reformist laws will inevitably be approved, and therefore the PCP's goal is that a cohesive and unified block of opposition be formed to constitute a reservoir of potential future change in various areas. The PCP's goal is that the PS remain bound by compromises of which it will be reminded in the next legislative elections.

None of this is very strange, as this is normal for the socialists when they are in the opposition. But it does not for that reason fail to constitute a significant strategic error equivalent to the passing idea that led them to vote the motion of censure of the PRD, with well remembered results. The fall in popularity of the government and of Cavaco Silva, which naturally precedes a decline in the tendency to call for a vote, can be arrested if the PS permits the social conviction to be formed that the real alternative of the PSD is an open and disguised alliance between the two parties of the Left, without public opinion being even minimally prepared for that.

It has been many years since I argued the advantages from the point of view of the Portuguese political system of integrating the communists into the political mainstream and requiring them to step away from the total "nihilism" in which they allow themselves to be barricaded. But I continue to insist after several years that it is necessary to do this, obliging them to pay a price for integration, obliging them to modernize their style and their proposals, obliging them to change from the inside and from the outside.

If this were to occur, I would be here applauding. As it is, it is an error. It is not the communists who are changing to be accepted into the club, it is the socialists who accept them without requiring change, previously letting themselves slide toward acceptance of objective leadership in the social terms of the communists. That price will be paid by Constancio and his friends.

13026/9274

PCP Militants Show Support for Document of 'Group of Six'

35420066c Lisbon EXPRESSO in Portuguese
1 Apr 88 pp 1, 24

[Excerpt] Twenty-four Communist militants in the municipality of Almada handed the PCP leadership a document last week in which they expressed their support for the "group of six" and identified themselves with the proposals for renewal advocated by Vital Moreira, Veiga de Oliveira, Vitor Louro, Silva Graca, Dulce Martins and Sousa Marques.

According to sources close to the municipal council in question—where, incidentally, a photocopy of the original sent to Cunhal was kept—the 24 signers are asking to participate in discussion of the "document of the six" (which has caused so much controversy), saying that denial of that statutory right will be regarded by them as reflecting an antidemocratic attitude on the part of the PCP leadership.

Lack of Dialogue, Removal of Militants

The text consists of a brief introduction and five more points which, according to the same sources, deal with aspects related to the lack of dialogue and democratic

processes in the party's internal life, the bureaucratization of the PCP's local political leadership, problems in the local governments, the administrative measures and persecutions that have been noted, and, lastly, the proposals of the "group of six." EXPRESSO has learned that the document signed by the 24 militants suggests that there are major contradictions between the political message produced by the PCP leadership and its behavior in practice.

The first point has to do with the lack of dialogue concerning specific problems in the party's internal life. The removal of Communist militants from positions of responsibility they occupied in the local governments confirms—the document explains—that the criticisms expressed by the "Almada group" are justified.

The fact is that the PCP has reportedly dismissed a number of local officials in the municipality of Almada in recent years without giving any reason or providing any internal explanations. Those dismissed are Francisco Simoes, Carlos Alberto Gomes, Carlos Brito, Eduardo Costa, Alfredo Rocha, Henrique Silva and Jose Vieira. The authors of the document also feel that the election lists for the local governments have been drawn up without prior discussion and without the approval of the local organizations involved. They also complain that the party leadership frequently confuses the act of listening to militants individually—"as though the individual were making his confession"—with collective dialogue.

Concerning the bureaucratization of officials, it is said that many of them "participate in persecutions and promote or 'unpromote' people in accordance with their own interests or group interests." The removal of Jose Vieira as chairman of the Almada Municipal Chamber is one of the examples cited.

The 24 signers also mention the 6-month suspension of Communist militant Carlos Paulo and the proposed expulsion from the party of Alberto Reis and Henrique Silva. According to the "Almada group," those cases contradict the statement by the PCP leadership that "administrative measures are never adopted" against members.

In the opinion of those PCP militants, any expulsion which might occur in those specific cases could only be the result of a despotic and antidemocratic attitude on the part of a leadership "which commits many more errors than the number of errors committed by the most critical militants."

11798

Reported Reasons for PCP's Repressive Measures
35420074b Lisbon EXPRESSO in Portuguese
16 Apr 88 p 3

[Article by Jose Antonio Saraiva]

[Text] The moment has arrived in which it is now not enough for the PCP leadership merely to say there is no internal crisis, for it to disappear.

The crisis is there: public, serious and probably irreversible.

There are several facts on which to base this opinion—the last of which is the sanction applied to Zita Seabra.

In truth, if Communist Party leadership did not think that the situation were serious, it would never have taken the initiative of punishing a leader who is, if not one of the symbols of the party, at least a symbol of the women of the party: she joined the PCP at the age of 16, traded a "normal" youth for clandestine struggle, assumed, in various parliamentary debates, the face and the voice of communist women.

The PCP knew that upon punishing Zita Seabra, it was taking a decision that would have enormous repercussions. If it did not hesitate to take it, it is because it was convinced that the crisis required drastic measures.

With this punishment, meanwhile, the leadership of the communist party proved that it is now worried more about the internal situation than about its external image. The need to act overruled the strongly negative consequences for the party's image in public opinion.

In this context, a question stands out: Is it or is it not true that the communist leaders also know, through their own experience, that repressive measures rarely induce someone to change their mind?

Is it or is it not true that the communists know, perhaps better than anyone, that repressive actions tend to root convictions even more deeply rather than change them?

Of Course They Know

And it is that which leads me to believe that the PCP leadership, in addition to believing that the situation is serious and requires severe measures, also thinks that it is irreversible—that is, some militants are "unrecoverable."

Under these conditions, it seems that the best thing would be to quickly draw the lines, clarify that which it will tolerate and that which it will not, separate the "healthy" from the "sick" in order to prevent, as a result of a complacent attitude on its part, those still indecisive from feeling tempted to cross over to the other side.

Upon suspending Deputy Zita Seabra, and upon saying what it said of the authors of the "document of the six," the party political commission shows that it now does not have the inclination to reintegrate them into the orthodoxy: its concern is to prevent the conflict from extending into other zones and getting completely out of control.

That is the reason it acted as it did.

And that also explains the position adopted by Cunhal in this regard.

It is to be remembered that Alvaro Cunhal, contrary to how he is sometimes perceived, is a leader more given to internal consensus than to rupture.

Educated, sensitive and cautious, he prefers to listen first to the opinions of others and then he ends propose a consensual solution.

How can it be understood that in this case he has abandoned his habitual position in order to align himself beside one of the parties in confrontation?

The logical explanation is that Cunhal, having perceived that the rupture was irreversible, felt there would be no advantage to dragging the problem out any longer and postponing the adoption of disciplinary measures.

Of course another factor of diverse nature could also have weighed in the decision of the PCP secretary general: the rise to power of Gorbachev and the launching of "perestroika."

It is no longer a secret to anyone that Cunhal has a certain mistrust of the current process in the Soviet Union.

His recent declarations, in which he states he does not at all disagree with "perestroika" but he does not agree with everything, represent a clear distancing on the part of the leader of a small party which has always been perfectly in agreement with the PCUS.

It is understood in this context that the "rebellious" attitudes of some leaders—which, it should be noted, coincide with the process of openness in the USSR—have made him particularly uncomfortable.

For Alvaro Cunhal, the stances of Vital Moreira, Veiga de Oliveira, Zita Seabra and other "critics" had at heart the objective of taking advantage of the new winds from the East. However the leader of the Portuguese communists, who long ago passed 70 years, believes that it should be him and not others to determine the rhythm of openness in the PCP.

In his adhesion to what is occurring in the Soviet Union is no longer complete, at least the steps the PCP will inevitably have to take will be decided by him—and not by pressure from just anyone, and even less by documents or opinions released in the press.

Poll Shows PCP's Seabra Suspension Unpopular
35420078a Lisbon EXPRESSO in Portuguese
23 Apr 88 p 24

[Text] The majority of Portuguese said that "there was no reason" to suspend Zita Seabra at the head of the Portuguese Communist Party (PCP), and only 14 percent believed that it was justified, according to a poll taken in April by the EXPRESSO/Euroexpansao Panel. However, 69 percent felt that "more people would be suspended from the PCP," while 11 percent did not think that there would be any further cases like that of Zita Seabra and the "group of six." Among CDU voters, 36 percent said that the suspension was unjustified (as compared to 8 percent defending it), and 58 percent were convinced that there would be more suspensions, with 26 percent holding the opposite view.

09805

SPAIN

Suarez' CDS Fortunes, Electoral Chances Analyzed
35480078 Madrid CAMBIO 16 in Spanish
4 Apr 88 pp 39-40

[Article by Justino Sinova: "Will Adolfo Suarez Return to the Moncloa Palace?"]

[Text] Adolfo Suarez is making a slogan of his declared intention to win the post of prime minister for the third time, following the electoral triumphs of the Democratic Center Union (UCD) in June of 1977 and March of 1979. The message has been spray-painted on some walls (a holdover from the time when the party economy was not doing so well), along with the prediction: "Suarez, prime minister, 1989." Is there some basis for this propaganda claim, or is it merely a bluff?

The truth is that Suarez is announcing his return to the Moncloa Palace after founding the Democratic and Social Center (CDS) 6 years ago. In reality, when he invented the CDS, Suarez was thinking of his personal need to show that he could lead a party established step by step, a party with the consistency the UCD lacked, and one capable of returning him to the post of prime minister. Thus, failure to achieve this goal would be the worst failure for the CDS. Of course, all political parties seek to win power. But for the CDS, this goal is an absolute prerequisite. A CDS in the permanent opposition is inconceivable.

The Moral Status of Suarez

Things have changed greatly in and for the CDS. Recovery of the Moncloa post appeared to be a boldly exaggerated ambition a few months ago. Today this is not so true. Suarez, who avoided political confrontation, has regained a moral stance and his voice, and appears ready to do battle, one on one, with Felipe Gonzalez. The

change in the atmosphere surrounding him gives him courage. He is becoming a popular man again. Following his resignation, his adherence to the UCD and the disappearance of that party, people turned their backs on him and he was ignored. Today, on the contrary, if he chooses to go out in public to test the atmosphere (an experiment he undertakes from time to time), people stop to greet him. They encourage him, and some even give him the victory sign. Many of these spontaneous fans will never vote for him, something Suarez knows. But for the time being, they are giving him encouragement.

And the party is functioning. Today the CDS has paid the debts contracted in connection with the general election campaign in 1986. At the beginning of its existence, its debts were a source of party anguish and a serious problem for Suarez himself. The organization has grown and it now has headquarters in all the provinces. And in 2 years, the number of its members has quintupled, according to the figures of the party itself. In 1986, the CDS membership was to 12,000, while there are now 50,000 members. And the party is studying ways of reaching 100,000, the number essential for perfect electoral coverage, which would allow the party to have its own agents involved in all the electoral boards.

The CDS Trend

Its electoral expectations provide the basis for the party optimism. In something over 4 and 1/2 years (from October 1982 to June 1987), its electoral share increased by 7 percentage points. But in the subsequent 20 months (from June of 1987 to February of 1988), it gained another 7 points, according to the public opinion polls taken by Emopublica for DIARIO 16. The CDS has shown a consistent growth trend. If the average rate of growth were a reliable criterion, and if we were to take the development of the voting from October 1982 to February 1988 as a basis, the CDS would approach June 1989 (a possible election date) with a voting potential of about 20 percent. If the test base were the period between June 1987 and February 1988, then the probable growth for the CDS would come to 23 percent of the votes.

This forecast, based purely on mathematical computations, does not take into account the political circumstances which could alter the rate of enrollment or withdrawal (and which include the development of the competing parties), nor another factor, which it is impossible to predict—the acceleration of growth or deterioration which begins at a given moment when a certain collective psychosis begins to function. But the percentage estimates presume a minimal voting capital of 4 million (20 percent) and a maximal figure of 4,600,000

(23 percent) for the CDS (with estimates based on the figures for the last general elections, in June 1986—a 70.36 percent share of a census total of 29 million persons).

The Battle With the AP

To put Adolfo Suarez in the Moncloa post, the CDS must wage two battles—one against the Popular Alliance (AP), and the other against the Spanish Socialist Workers Party (PSOE). The first thing the CDS must do is oust the leading right-wing party from its second place position. Chart 2 shows the development of the centrist vote (initially monopolized by the UCD) and that commanded by the AP. At the beginning of the history of Spanish democracy, the number of votes for the center were quadruple those for the right wing, which was only able to grow on the ruins of the UCD. But gradually, the distances have shortened again.

Chart 2 shows a trend toward the convergence of the lines which represent the development of the AP and the centrist vote (monopolized in the state sector today by the CDS). According to the data provided by the polls, the AP and the CDS are separated by 1,200,000 votes (3,400,000 votes, representing 17 percent, and 4,600,000, representing 23 percent). An imaginary extension of Chart 2 shows that the CDS vote might overtake the AP vote before 1990. The trend seen in the chart is supported, in this case, by the data reflecting the political reality. The CDS has a stable organizational life based on its leader, while the AP has entered into a period of internal crisis, the extension of which might be fatal to its electoral aspirations. Let us remember that the ruin of the UCD began in this way.

Winning second place would provide the CDS with an extraordinary parliamentary presence. The two leading parties share the bulk of the Congress, thanks to the premium accorded to the majority by the d'Hont law, which governs the Spanish electoral system. This regulation is also such that a seat becomes "cheaper" the larger the number of votes obtained (in June 1986, a seat cost the PSOE, which had 8,901,718 votes, 48,379; the figure for the CDS, with 1,838,799 votes, was 96,779; and that for the United Left (IU), with 935,504 votes, 133,648).

The Battle Against the PSOE

The battle with the PSOE is more problematical for the CDS. In the third general elections as well, a swing occurred in the initial balance of Spanish democracy, as Chart 3 shows. The breakup of the UCD favored the spectacular increase in the votes for the PSOE. But the development of the two lines shows a converging trend. The votes are returning to their places of origin. In October of 1982, the PSOE controlled 8 million votes more than the center (UCD plus CDS), while in February of 1988, according to the last Emopublica poll, the distance had been reduced to 4,200,000 (3,400,000, representing 17 percent, and 7,600,000, representing 38 percent).

The possible point of convergence, based on an extension of the curves, would fall beyond 1990, or in any case at a more distant time than that suggested by Chart 2. This means that if some upset does not occur to alter the trend substantially, the next general elections will again be won by the Socialist Party, even if they are held at the end of the 4-year legislative term, in June of 1990. It is beginning to be thought within the CDS that Gonzalez might even convoke elections at the end of this year, for the purpose of forestalling a greater decline for the PSOE, taking the CDS itself by surprise with a still quite distant electoral quota. But the reality is that the primacy of the PSOE during this legislative session does not appear to have been threatened by a single party.

The Future

However, the expected development of the voting trends suggests that the PSOE will not be able to approach the coming elections with the same confidence as it had in 1986. It has lost 2,500,000 of the votes from its record total in October 1982, and while its electoral base is still at a high level, it may begin to think that an absolute majority is now beyond its reach. This circumstance, of itself, would put Gonzalez' stay in the Moncloa Palace at risk. For while a single party still cannot defeat the PSOE, a coalition could indeed wrest power from it.

At this time, the forces of the center-right (including the votes for Convergence and Union [CiU], headed by Jordi Pujol) now control more votes than the PSOE. The problem is that Suarez has categorically refused, and still refuses, to compete in the elections with a coalition. He believes that AP participation would draw progressive votes away from the CDS, and in any case, he wants to prove his strength. But Suarez does not reject postelectoral agreements. This means that with a slight increase in the decline for the PSOE, which would compensate for the benefit it still derives today from the d'Hont law, Suarez might find his move back to the Moncloa Palace within reach.

5157

Basques Seen Disillusioned With Democracy

35480079c Madrid DIARIO 16 in Spanish
3 Apr 88 p 14

[Text] Vitoria—According to a poll devised by the Office of the Secretary of the Presidency of the Autonomous Government, to which EFE [Spanish Press Agency] has had access, over half the Basque citizens consider themselves "disillusioned with the present democracy."

Similarly, two thirds of the population expresses disagreement with the claim that "politicians are honorable," proposed in the poll.

There is also a small majority who "disregard politics, because that's what politicians are for."

2909

Inconclusive Poll on Popularity of Basque Coalition Government

35480079b Madrid DIARIO 16 in Spanish
10 Apr 88 p 8

[Text] When it is time to judge the PNV [Basque Nationalist Party]-PSOE [Spanish Socialist Workers Party] coalition, a majority accepts the opportunity to answer that it is proving to be neither negative nor positive for Eusdaki. They number 45.75 percent, followed by 34.58 percent who label it negative, and only 19.17 percent who consider it positive.

More believe that PNV is the one conceding most in this government endeavor; they number 36.83 percent, as compared with 33.50 percent who think that both parties are yielding, and that PNV is proving "soft" in the defense of Eusdaki's interests, while PSOE is turning out to be most benefited.

A majority, 37.58, percent also regards it as likely that this government will end its legislature, believing that, at the present time, it is most advantageous for the coalition to last; following very closely behind, 36.58 percent would prefer to extend the government pact to other forces, and 23 percent favor calling for new elections.

What those queried do think is that, if they are called to the polls again in the Basque Autonomous Community, the party with the most to gain would be EA [Eusko Alkartasuna-Basque Patriotic Union], followed by Herri Batasuna [Popular Unity] and Euskadiko Ezkerra [Basque Left].

2909

Women's Political, Social Positions Polled
35480079a Madrid CAMBIO 16 in Spanish
18 Apr 88 p 17

| Political Ideology of Women | | | | | | | | | | |
|------------------------------|---|-------|----------------------------|------|----------------|--------|-----------------|-------|---------------|-----------------------|
| | % | Total | Political Self-Description | | | | | | | |
| | | | Extreme Left | Left | Left of Center | Center | Right of Center | Right | Extreme Right | Don't know/ no answer |
| Total women (16-45 years) | | 100 | 4 | 18 | 23 | 26 | 10 | 5 | 1 | 13 |
| Age: | | | | | | | | | | |
| 16-25 years | | 100 | 4 | 18 | 22 | 25 | 10 | 5 | 1 | 14 |
| 26-35 years | | 100 | 6 | 21 | 25 | 23 | 10 | 2 | 1 | 11 |
| 36-45 years | | 100 | 2 | 13 | 23 | 30 | 11 | 6 | 1 | 13 |
| Civil status: | | | | | | | | | | |
| Married | | 100 | 3 | 15 | 26 | 27 | 11 | 5 | 1 | 13 |
| Single | | 100 | 5 | 18 | 21 | 26 | 11 | 5 | 1 | 13 |
| Widowed, divorced, separated | | 100 | 8 | 26 | 24 | 21 | 9 | 5 | — | 8 |
| Religion: | | | | | | | | | | |
| Practicing Catholic | | 100 | 2 | 8 | 15 | 35 | 14 | 9 | 3 | 16 |
| Non-practicing Catholic | | 100 | 3 | 16 | 28 | 25 | 11 | 3 | 1 | 11 |
| Agnostic | | 100 | 14 | 36 | 23 | 13 | 3 | 3 | — | 9 |
| Social class: | | | | | | | | | | |
| Working | | 100 | 4 | 24 | 21 | 20 | 7 | 3 | 1 | 22 |
| Lower middle | | 100 | 5 | 16 | 25 | 27 | 9 | 4 | — | 15 |
| Middle | | 100 | 4 | 14 | 25 | 32 | 10 | 4 | — | 11 |
| Well-to-do | | 100 | 3 | 20 | 22 | 23 | 14 | 8 | 2 | 7 |

| For or Against | | | | |
|---|----|-----|---------|--------------------|
| I shall give you a group of issue on which to tell me whether you are for or against each of them. For example..... | | | | |
| | % | For | Against | No position answer |
| the existence of divorce? | 84 | 10 | 5 | 1 |
| the legal possibility of abortion? | 62 | 31 | 6 | 1 |
| free consumption of soft drugs? | 20 | 72 | 7 | 1 |
| use of contraceptives? | 90 | 5 | 4 | 1 |
| civil marriage between homosexuals? | 43 | 27 | 28 | 2 |

Technical Record: Universe: women aged 18-45 years, residing in towns with over 10,000 inhabitants. Sample: 1,028 interviews held by age quotas. Field work: 7-10 March 1988. Margin of error \pm 3.2 percent. Execution: ECO (Commercial and Opinion Studies, Inc), member of Aneimo, exclusively for CAMBIO 16.

| Voting Intention | | | |
|-------------------------------------|-------------------------|-------------------------|--------------------|
| (women between 16 and 45 years old) | | | |
| | Census base | Voters base | |
| % | Direct voting intention | Direct voting intention | Vote plus sympathy |
| AP | 8.5 | 10.1 | 13.5 |
| CDS | 6.5 | 7.7 | 10.3 |
| PSOE | 20.9 | 23.4 | 31.2 |
| IU | 5.0 | 5.4 | 7.2 |
| PDP | 0.3 | 0.3 | 0.4 |
| Nationalists | 9.4 | 8.8 | 11.8 |
| Others | 3.9 | 4.2 | 5.6 |
| Won't vote | 24.9 | 25.1 | — |
| Don't know/ no answer | 20.6 | 15.0 | 20.0 |

SWEDEN

Carlsson, Per Unckel Set Out Election Campaign Platforms

Carlsson Stresses Social Issues

36500090 Stockholm DAGENS NYHETER in Swedish
30 Mar 88 p 2

[Editorial: "Carlsson a Gambler?"]

[Excerpt] "Carlsson takes office and turns out to be a gambler," states the heading over chapter 1 of "The People of Hemso, 100 Years Young."

Yesterday, when Ingvar Carlsson took charge of his first election campaign as party leader, with a quick assault on the suburbs that have sprouted up like a wreath around Stockholm, he did not exactly come on like a whirlwind on an April afternoon, but he came with the sun to Gustavsberg and said he felt the wind at his back. He was warmly met by the pensioners that perhaps the Social Democrats alone are able to mobilize in election campaigns.

It is not only the opinion polls that indicate Carlsson has the wind at his back. But will this be enough?

Yesterday he dutifully placed the three sacred sectors from the party congress—the environment, schools, and health care—at the center of attention. The most important of these on this occasion was health care, care for the elderly. Now that the party, after 6 difficult years, has managed to overcome the bankruptcy resulting from 6 years of nonsocialist rule (budget deficit of 90 billion, investments down by 40 percent, etc.), it is time to readjust the budget cuts that may have gone a bit too far. No age limits to the best possible care for all, the message said. They want to invest heavily in support for personnel, such as the 1.5 billion the Social Democrats want to spend from the 3 billion kronor now in Stockholm County funds (no one asked how long a one-time investment of this type would last).

Evidently, the "irritating" NUU Commission will be disbanded, precisely because it has irritated people in health care, which sounded somewhat hasty. And, we were told, Finance Minister Feldt did not in any way mean to say that outpatient care had not taken a load off the health-care system. He had simply "asked the question" and Carlsson wants to see all the information on his desk before he takes a position himself.

But Carlsson is no Pastor Jansson, who has no definite ideas on anything, and he is at his best—not like the popular speaker Palme, but nevertheless—when he departs from the carefully constructed formulations of his manuscript and expresses a commitment, a passion. And so it was yesterday:

It was the same old, but still effective, theme: Without the right to a job, there is no freedom (in some cities, in some countries half the young people go directly from school into unemployment and this unemployment can last a lifetime) and without justice, without equality in health care, there is no social security. The Conservatives' proposal that county taxes in Stockholm be reduced by 300 million was depicted as yet another indication of their plans to "change the system."

Conservatives' Secretary Stresses Unity

36500090 Stockholm DAGENS NYHETER in Swedish
11 Apr 88 p 16

[Article by Lillemor Melstedt: "More Inspiring Than in Many Years"]

[Text] "More inspiring for nonsocialists and for the Conservative Party, in particular, than any campaign in many years."

This is how Conservative Party Secretary Per Unckel described the campaign that is now about to begin. He believes the Social Democrats will face problems with cracks in the welfare system.

The Conservatives have 14 million kronor in their campaign coffers for their national and some of their local activities. A large portion of the party's 175,000 members are expected to contribute at least some time to election activities. And contributions solicited by letters to suitable groups are providing many small streams of money coming in.

Unckel admits that the party is probably slightly below its 1985 election results of 21.3 percent. The latest polls fluctuate around the 18-percent mark, but the party is once again consolidated after the disappointment of the last elections. Now it must avoid its past pitfalls. One of these was related to the tone set for the campaign: A Debate of Ideas.

"We are looking for a conversational style in our campaign. There will be no ideological confrontation, but a debate of ideas based on human experience in the areas of health care, child care, the problems of the elderly, and taxes."

This will not prevent a tough debate with the party's main opponents, the Social Democrats. According to Unckel, they are faced with a social reality that is becoming more and more difficult to defend.

Per Unckel also hopes for a truce among the nonsocialist parties. When pressed to show how their opinions differ, they should indicate the least common denominator in nonsocialist politics.

In the same spirit, the Conservative Party secretary did not wish to admit any serious competition with the Liberal Party for the role of largest nonsocialist party.

Lights On

"It is good that the Liberal-Conservative wing has been strengthened by the advances of the Liberal Party. The Liberal Party's failure to live up to our high ideals in certain areas is another matter."

The Conservative campaign will include many meetings, home visits, and a 1-minute biographic film aimed at young voters

The tradition of holding a mass rally in the Scandinavium will be kept:

"But it will be more like a fair—and the lights will be on," added Unckel, laughing at the memory of the demonic seance of the last elections.

09336

DENMARK

Foreign Minister To Reject Joint EC Weapons Production

36130055b Copenhagen *BERLINGSKE TIDENDE*
in Danish 9 Apr 88 p 7

[Article by Carl Otto Brix: "EC Weapons Production To Be Rejected"; first paragraph is *BERLINGSKE TIDENDE*'s introduction]

[Text] Foreign Minister Uffe Ellemann-Jensen will inform the EC Commission that Denmark rejects joint European weapons production, a majority in the Market Committee has decided. The foreign minister must decide for himself whether to do this in a letter or orally.

The majority on the Folketing's market committee has directed Foreign Minister Uffe Ellemann-Jensen (Moderate Liberal Party) to inform the EC Commission of the Danish position rejecting joint European weapons production.

This came about after March, when Narjes, the Commission's vice chairman, participated in a meeting in London on weapons research and development. The meeting was arranged by the West European Union, in which the six old EC countries and England are participants.

Minister: Pseudoevent

After the market committee meeting, the foreign minister termed it a pseudo-event the Socialist People's Party is trying to create. The Danish position is well known: What happens in the field of weapons is a matter for NATO, and not the EC. Ellemann-Jensen would not like to get involved in which courses commission members take.

Nevertheless, Steen Gade (Socialist People's Party) believed the matter was an expression of the commission's attempt to displace borders. He thus found it necessary to put the Danish position on record for the commission and in this view he was supported by Ole Espersen (Social Democratic Party) as well as by Niels Helveg Petersen (Radical Liberal Party).

Form Up To Ellemann

The foreign minister must decide for himself whether his elucidation of the Danish viewpoint will be in the form of a letter to the commission or whether it will be oral.

12789/9274

Home Guard Sees Possible Budget Freeze Cutting Effectiveness

36130055a Copenhagen *BERLINGSKE TIDENDE*
in Danish 15 Apr 88 p 8

[Article by Nils Eric Boesgaard: "Home Guard Falling Apart"; first paragraph is *BERLINGSKE TIDENDE*'s introduction]

[Text] The lack of political support for defense is making it increasingly harder for the Home Guard to attract new members. One new member per month can scarcely keep up with departures, the chief of the Drager fleet says.

The people of the Home Guard are losing their spirit because of the lack of political support for defense. This is no less true of the Naval Home Guard, which fears that a budget freeze will force them to continue sailing with cutters with an average age of 32 years, some of which were built in the 20's.

One of the two fleets at Copenhagen's Royal Dockyard is crumbling because it is no longer feasible to repair its standard bearer, a cutter built in the early 1940's, said Commander Poul Balling, the district chief.

"It's becoming more and more difficult to get people to join the Home Guard," said Lieutenant Commander Fritz von Bulow, the head of the fleet. "On the average we get one new member per month and that is hardly sufficient to keep the fleet at full strength," he continued.

Every week the 12-man crew assembles on the Drager fleet's MHV-90 cutter for their weekly sailing evening. The cutter has four crews and sails at least four evenings per week in addition to regular weekend sailings and summer cruises.

"Most of the time is spent on education and maintaining training," said Lieutenant John Strobaek, the boatman, who is a dock hand at Drager on a daily basis. "We practice sailing and navigation, the upkeep of machinery, signaling and communications together with rescue service," he explained.

As soon as the cutter leaves the harbor, it is under the command of the Sound's Naval District, whose headquarters are located at Stevns Fort, and as a rule it is given one mission or another during the cruise. Last night, as a part of the Navy's routine marine surveillance, it was asked to take a closer look at a Soviet freighter which was entering the Sound.

Skipper Strobaek and his crew sailed up to the Russian ship, checked its name, type and home port and reported back to Stevns Fort. It was the "Kompozitor Karayev" from Leningrad. A 6,884-ton roll-on/roll-off ferry of a sort which is particularly well suited for use as a landing craft.

"One of the Naval Home Guard's most important missions in peacetime is its rescue service at sea, and the Dragor cutter participates regularly in rescue and search operations." One of the more dramatic operations took place just beyond the harbor of Dragor, when a big German pleasure boat went aground in bad weather with three adults and one small child aboard. The water was too shallow for the cutter, but, using the dinghy, the cutter managed to get a 150-meter-long tow line onto the German boat and pull it away just before the boat was about to be wrecked," John Strobaek said.

The Naval Home Guard still hopes for the funds to begin the construction of 12 new cutters to replace the oldest vessels, but admits that a budget freeze, which the Social Democratic Party is calling for if it is to join a new defense compromise, will mean that the acquisition of new cutters will have to be put off indefinitely.

People in the Home Guard, who spend a great deal of their free time perfecting their skills so they will be able to join in the defense of Denmark, find this hard to understand.

The Home Guard is a cross section of the population, in political terms as well. Consequently, the largest single group are good Social Democrats. Social Democratic politicians disappoint them:

"They rap their own voters over the knuckles," said one member of Fleet 365 at the Royal Dockyard.

"Though we seldom discuss politics," explained Arne Seitzberg, a 60-year-old teacher who is one of the Dragor fleet's elders. He belongs to the generation which can still remember the war and which believes in a strong Danish defense.

"We are disappointed by the lack of political support. We'll stick with it for the time being, but it's getting ever more difficult to get our missions done," he said.

12789/9274

FEDERAL REPUBLIC OF GERMANY

New Role for Alpha Jet in Support of Army Air Assault Units

36200079b Bonn WEHRTECHNIK in German
Apr 88 p 42

[Text] The Alpha Jet, the close air support aircraft, has always been in the shadow of the bigger, more expensive, far more efficient "brother," TORNADO. It operates only in the subsonic range, is far quieter, costs far less, has a lower payload... Thus it was really not surprising that it was only a less respected weapons system and the question is attributed to a chief of staff: "Isn't it possible to sell that to the Turks?" Thus it was understandable when last summer the Air Force, as part of the reallocation of tasks to the branches of service abandoned the

intended upgrading of the Alpha Jet's combat effectiveness. But what to do with the Alpha Jet now? Only to keep the pilots in practice, using them for certain electronic warfare tasks? Selling the aircraft to the Turks after all? It has been learned that there is a certain interest in the Alpha Jet from Sweden. But now a use has been found for these aircraft which even fits into the political framework of disarmament. One of the great difficulties on the road to disarmament in the conventional field, too, is the comparability of Western and Eastern weapons systems and military structures. It is known that the Soviet armies have so-called tactical aviation, in other words flying units equipped with helicopters but also fixed-wing aircraft which are directly subordinated to the armies—comparable to our corps. There is nothing comparable in the West—here the combat aircraft are assigned to the air forces even for tasks of close air support—see Alpha Jet or A-10. It has now been decided that the German Alpha Jet will be used to set up a corps flying regiment each for the three German corps, the 6th Armored Infantry Division in Schleswig-Holstein is to get a squadron. Thus the Alpha Jets can continue to be used for the close air support task, but this time under the direct command of the commanding general. In addition, they are assigned the task of protecting the antitank helicopters and also the transport helicopters—as a result the procurement of a special escort and protection helicopter will be abandoned. The Alpha Jets are also to take over the protection of low-flying Transall which deploy airborne troops. Viewed in that light, the Alpha Jet in the corps flying regiments fits very well in the concept of air mechanization. At the same time—and that is the reason why even the Foreign Office gave its full support to this arrangement—these flying forces are made directly comparable to the corresponding Warsaw Pact units. Quietly, the operational test with the Alpha Jet meanwhile has started in the Army. The first measure: the aircraft received an olive green camouflage painting. The new spot-camouflage painting of the Army has not yet been adopted—its suitability for fixed-wing aircraft is just now being studied by the IABG.

12356

Reservist Flight Crews, Combat Role for Alpha Jet Explored

36200079a Bonn LOYAL in German Apr 88 pp 10-12

[Interview with Lt Gen Horst Jungkurth, Luftwaffe chief of staff, conducted in Bonn by Inge Dose-Krohn: "More Responsibility for Reservists"; first paragraph is LOYAL introduction]

[Text] With the Bundeswehr planning, the Air Force, too, will face radical changes. In an interview with LOYAL, Lt Gen Horst Jungkurth, chief of staff of the Air Force, explained how he wants to make sure in the coming years that his branch of service can continue to meet its tasks.

LOYAL: The Air Force is increasingly pinched, equally in the personnel and material fields. What possibilities do you envision for maintaining its operational capability?

Lt Gen Jungkurth: As regards the "Personnel" sector, our strategy is based on 3 pillars. Firstly, we reduce high tour of duty workloads for the soldiers. Wherever this is not possible we strive towards a balance in the form of off-duty periods that can be planned. Finally soldiers with unchangeably high tour of duty workloads are financially compensated on an individual basis. In our opinion dealing with such service demands in this manner is an appropriate means of maintaining the Air Force's attractiveness and of using it as a recruitment device. Secondly, we emphasize intentions and measures which help to better utilize the personnel potential—in competition with industry and commerce by means of incentives such as enlistment and reenlistment bonuses or training courses recognized for civilian occupations. Thirdly, our plans provide for considerably greater integration of the reservists. In this connection for the Air Force it is important not only to cover the future reduction of active-duty soldiers of about 10 percent of peacetime strength with reservists. Rather, it aims to link reservists and active-duty soldiers into an organizational entity under careful consideration of the factors of operational readiness level, ability to react and staying power in the units and forces. Procurement planning supplements and overlies this personnel part of planning. We start from the assumption that the interval between the generations of weapons systems will continue to grow. But if the potential of modern technology is to be fully utilized future systems must exhibit growth potential. This limits procurement costs of weapons systems and permits performance adjustments during their working life. On the other hand, modern technology complements the other efforts of the Air Force to reduce personnel requirements. Just as we are going to release personnel with the procurement of Roland and Patriot despite an increase in firing units and conventional combat capability, the planning for the fighter aircraft of the nineties emphasizes a reduction of the manpower requirement. Compared with the present size of the F-4 formations, the aim is to achieve a 15-percent reduction.

LOYAL: What does the structure of the Air Force with which you can reach the year 2000 have to look like?

Lt Gen Jungkurth: The reduction in active-duty personnel will affect our structure, too. Here we shall have to fall back on reservists to a far greater extent than heretofore to meet the tasks confronting us in the future, too. To do so we shall open up areas that have been barred to reservists in the past. This also applies to command positions. In an increased utilization of standby readiness, e.g., as second combat crew for the Roland weapons system, or as part of the restructuring of air base groups into airfield headquarters I envision a way to maintain the ability to react of my branch of

service. In principle the structural division into 3 parts of the Air Force into operation, operational support and central tasks has stood the test and will be maintained. But we cannot get away from reequipment and reorganizations. It remains the objective in this connection to speed up rationalizations even more and to invest in technology that saves personnel. A separate department for personnel, training, and reservists matters with the air force office, for example, has been established to deal with the increased use of reservists in the Air Force.

LOYAL: You speak of restructuring of the air base groups into air base headquarters. What is involved in that?

Lt Gen Jungkurth: As part of the structural changes the Air Force has to cope with a reduction of about 12,000 in active-duty soldiers. That is a cut of an even 10 percent that must be made while fully maintaining the complete spectrum of duties. In the present structure the air base group, comparable to the battalion level of the Army, is one of the organizational elements of the operational air wings, thus far concerned essentially with duties such as transport, air base security, guarding and, in doing so, primarily provided with active-duty soldiers. But this has changed in past years because equipment units were added to the air base group as part of the increasing importance of its past duties. That is to say, in a national defense emergency the air base group would increase with reservists to the size corresponding to a present air wing, which has about 1,500 to 1,800 soldiers. The question arises how such a large unit could be led at all with command personnel that has been established in peacetime and for which no reinforcement was provided for a national defense emergency. Thus the term air base group no longer describes the core of the duties. In the meantime these duties rest on a basis that is a great deal broader than in the past, with a much greater share of reservists and also a much greater number of individual units in the air base group. Therefore also the correct renaming to air base headquarters.

LOYAL: To what specific places are you able to assign reservists and how big will be the share that you need?

Lt Gen Jungkurth: The Air Force, as a branch of service committed to a constant operational readiness level, thus far has emphasized the active-duty soldiers. In the future it will increasingly important to employ reservists also where in the past the Air Force preferably used active-duty personnel. In this connection we will have to consider all areas and specialized occupations, even those that require special licenses for practicing them. The regulations which have to be adhered to, e.g., requirements for a periodic brushing up on knowledge and licenses which require further studies in order to surmount them. The professional training of our air force soldiers and the knowledge and skills acquired by them during their tour of active duty increasingly must be profitably utilized for the Air Force when they are employed as reservists. Here the excessive supply of past

years at times may possibly have made us somewhat too permissive. The present 700 reserve or active-duty training grounds will increase to roughly 2,000 by 1995. This will entail not only an increased reserve duty training of our reservists but also a challenge for our forces and units with their active-duty soldiers. These numbers substantiate not only the growing share of the reservists in the defense effort, they also underscore their increasing importance for duties which determine the level of operational readiness and the capability to react. Fields such as security and air defense, reconstruction of the combat installations damaged by enemy actions and safeguarding medical care will remain focal points for the employment of our reservists. However, Air Force thinking is directed towards improving the viability of present equipment units by mixing active-duty soldiers and reservists on all operational and command levels.

LOYAL: Troop tests were conducted with reservists as jet pilots. Is the Air Force going to have reserve pilots in the future?

Lt Gen Jungkurth: Indeed plans call for utilizing experience and knowledge of pilots and weapons systems officers for 3 to 5 years as reservists following their tour of duty in the Air Force. In this connection the Air Force relies on the positive experiences with former pilots on reserve duty gained since the end of the sixties primarily in assignments with transport aircraft, in some cases also with fighter aircraft. The experiences of other countries, too, confirm us in the intention to maintain the flying ability of reservists in peacetime to have sufficient personnel available in these combat-essential functions in case of a national defense emergency.

LOYAL: Is the new concept of reservists going to meet the requirements of the Air Force; is the Air Force able to fulfill tasks relative to the soldiers of the reserve posed for it and what about the motivation of the active-duty soldiers in this respect?

Lt Gen Jungkurth: I am convinced that the implementation of this concept will take into consideration the requirements of the Air Force as basis of planning and guideline for the Air Force to maintain the personnel combat readiness in the nineties by the increased use of reservists. By close integration of the reservists as equal partners of the active-duty soldiers in the operational mission of the forces and by opening all areas of service it will also be possible to meet all needs of the reservists in the air force. In this connection two important aspects are that, for one thing, the training for the duty assignment as a reservist is already made during the reservist's tour of active duty and, on the other hand, the proficiency training after the tour of duty takes place in joint exercises with the active-duty soldiers. I start from the assumption that the importance of the reservists for maintaining the high combat capability of the Air Force is increasingly realized by all active-duty soldiers. In that respect I do not see the Air Force being faced with any

motivation problems. In addition, by close ties of the reservists to the active-duty forces the feeling of solidarity and the integration of the reservists will be quite decisively promoted.

LOYAL: Wherein lie the Air Force's principal tasks in the future?

Lt Gen Jungkurth: Among the combat tasks defensive and offensive combat against enemy air forces undoubtedly have priority. Together with our allies we must ward off attacks from the air and thus create the prerequisite for freedom of action for all forces on our side. The aim of this mission is also the protection of the population and of the civilian facilities. Therefore the Air Force assigns priority in the case of the current reequipment of the ground-based air defense to the Patriot and Roland air defense systems, the upgrading of the combat effectiveness of the F-4F Phantom's and their replacement by the fighter aircraft of the nineties. But the combat against the enemy ground forces in the depth has gained further importance. On account of the relatively narrow width of the battlefield the enemy will be forced to bring his forces forward in echelons. Here it is important to deprive him of the momentum of attack by early engagement of the follow-on echelons and to relieve the pressure on our own forces. With their flexibility for rapid massed concentration over great distances air forces are the suitable means for this purpose. I do not envision any realistic alternative to the above in the future either.

LOYAL: According to Defense Minister Woerner, as part of the Bundeswehr planning the Army is to be qualified for autonomous conduct of operations and the task of "air support" is to be dropped for your branch of service. Do you, yourself, continue to regard this as a tactical task?

Lt Gen Jungkurth: Two matters must be kept apart here, matters that were presented in a somewhat abbreviated form in the summary statement of the minister before the press. We have checked whether within our three branches of service there are unnecessary overlaps in addition to those that are absolutely necessary. In this connection the question was discussed under national planning aspects up to what distance forward the three German corps are to be enabled to operate within the framework of their mission of forward defense. We arrived at the conclusion that the Army ought to be enabled, over the long term, to fight a battle with the weapons systems up to a depth of 100 km, while the main emphasis of the Air Force—as in the past—operates in the depth of the area on the task of "follow-on forces attack." Beyond that, based on the assessment of the competent NATO supreme commander, the Air Force in the future, too, will be authorized in certain operational situations to continue supporting the German Army in critical points. The German Air Forces, as part of the combined defense, support not only the three German corps but must of course be capable in the future, too, to support, as part of the air forces of the

alliance, the allied ground forces of the alliance at critical points of the action following assessment and directive of the NATO supreme commander. Thus the task of the Air Force—support of the ground forces—continues. Air Force planning is aimed at a consistent fulfillment of these tasks under the given general manpower and financial conditions. In this connection the Air Force will no longer provide for a specialization of weapons systems in air attack in the future.

LOYAL: Is there going to be another role for the Tornado except for the fact that it replaces the F-4F Phantom in the fighter-bomber role? Will it be necessary to procure more Tornados and, if so, how many? What is going happen with the Alpha Jet?

Lt Gen Jungkurth: With the Tornado the Air Force has introduced a weapons system with a hardly surpassed operational effectiveness over a large spectrum of tasks. With it the replacement of the F-104 G Starfighters is now being completed. Another 35 Tornados will be added to suppress the enemy air defense and for air reconnaissance. In addition to the Phantom we employ the Alpha Jet in the air attack role. We have renounced upgrading of the combat effectiveness in favor of reordering the Tornado, which can cover a far greater spectrum of tasks and adds considerable flexibility. In addition, there is the demand for the replacement of the Phantoms as far as they were employed for air attack. Therefore, planning provides for reordering additional Tornados. Thus, even though the operational demand is not yet covered, in terms of the fulfillment of the tasks of the air force, there results a further development, in line with threat and strategy, in the sense of the deterrence concept. It will be possible to continue using the Alpha Jet even without any upgrading of the combat effectiveness. By using it in the operational integrated system and by neutralizing the enemy air defense we shall be able to compensate for weaknesses. This also corresponds to a policy requirement of the Bundeswehr leadership: strengthening the operational effectiveness by an integrated system. We want to allocate Alpha Jets becoming available because of reequipment possibly to heavy air wings. We are examining—the studies have not yet been completed—whether or not the working life of other weapons systems in the forces can be considerably increased by having the pilots fly the part of the flying hours that must not absolutely be flown in the Tornado be flown in the Alpha Jet.

LOYAL: Thus a kind of realistic simulator?

Lt Gen Jungkurth: Yes, something like it. Above all, the Alpha Jet is considerably more favorable in operation. It is the most cost-effective aircraft that we have. And thus it would possibly help reduce the operating costs in the other forces. That is now being studied and we must wait for the results to be able to make decisions.

LOYAL: The joint program "Jaeger 90" is also a financing problem. If you had to do without it, what substitute is there available for it?

Lt Gen Jungkurth: Fighters are employed in the integrated air defense. With a balanced mixture of air defense missile systems it protects the entire FRG area supplemented by measures for the protection of facilities and installations. In this connection the fighter forces have the task of strengthening the protection flexibly and in focal points, of securing the flanks, and of closing gaps in the border-based defense. This is possible only with fighter aircraft which ward off with great fire power, the capability for areawide massed concentration, and with great ability to prevail over a numerically far superior enemy. Fighters cannot be replaced by ground-based systems. Aside from the operational aspects cited the costs for material and personnel also speak against it. At present the Air Force operates the F-4F weapons system in the hunter role. The planned upgrading of the combat effectiveness can maintain the operational effectiveness of this aircraft for no more than a limited period. In addition, the working life of this system limited to only a little over 10 years will have been in service for more than 25 years when it will be replaced by the "Jaeger 90." Therefore, we need an efficient fighter for the future. With a working life of at least 25 years starting with the introduction at the end of the nineties, it must possess sufficient growth potential to be able to meet the threat that is quickly growing also from a qualitative aspect. This is not possible with any model now on the market even though it would be further developed. There is no alternative available here, as numerous studies have proved. The requirements of the air forces cannot be fulfilled with alternatives at lower or equal costs. Abandoning the modernization of the fighter part in the integrated air defense would have far-reaching consequences for all armed forces in the alliance and for the defense of the FRG as a whole. The new fighter fulfills the mission for all by considerably contributing to the creation of freedom of maneuver. Thus on the part of the Air Force, I do not see any alternative to the JF-90. Overall I regard the planning for it as an instrument oriented on the reality of mastering the needs mentioned by you and to keep the operational readiness of the Air Force on a high level.

12356

FRANCE

Navy To Receive 12 New Frigates
35190055a Paris LIBERATION in French
13 Apr 88 p 48

[Text] Defense Minister Andre Giraud presented his new proposal for equipping the surface fleet to the National Navy High Council yesterday afternoon. The 121 admirals present thus learned that 6 light frigates will be ordered from the Lorient shipyard; 3 of them had already been planned, and Andre Giraud particularly

confirmed "the financial obligations" in this regard. In addition, he announced three other orders for warships of the same type, which will also be constructed at Lorient. These 3,000-ton ships will be equipped with a 100-millimeter Creusot-Loire cannon, as well as four launching tubes for Exocet MM38 or MM40 missiles. They will also have a helicopter of the 10-ton class.

In addition, Andre Giraud announced to the National Navy Staff that the Naval Construction Directorate of the General Delegation for Armament has been asked to discuss with the Atlantic Shipyards at St Nazaire—which is a subsidiary of Alsthom—a contract for delivery of six surveillance frigates. These military vessels, constructed in civilian shipyards, will have the same type hull as those from Lorient, but will be only very lightly armed. Financing of these warships, according to information available yesterday evening, will call for procedures as original as they are unusual in the military. Assured financing will be very important at the beginning of the program to allow greater flexibility. In confirming this information it was learned last evening at the Defense Ministry that the financial constraints imposed by these new programs are "completely covered" by the 1987-1991 Military Planning Law.

8735/9274

NORWAY

Lessons From FLOTEX Naval Exercise Worry Submariners

36390055 Oslo AFTENPOSTEN in Norwegian
13 Apr 88 p 12

[Article by Liv Hegna: "Submarine Warfare Has Gained a New Dimension"]

[Text] Submarine crews aboard Norwegian subs are still almost in a state of shock after the modernized frigate KNM Trondheim discovered and followed their vessels while they were under water from completely different and much greater distances than previously. That occurred during the recently concluded FLOTEX exercise and it is the result of the modernization program the frigate, and its sonar equipment in particular, has undergone. This was stated to AFTENPOSTEN by the chief of the Naval Supply Command, Rear Adm Rolf E. Pedersen.

Rear Adm Pedersen would not give any absolute guarantee, however, that the modernized frigate could eventually detect every foreign submarine that made its way illegally into Norwegian waters. The new sonar equipment, which will eventually be installed in all our five frigates, simply improves the chances greatly.

Game Tilted

Pedersen said that while submarine captains in the past were accustomed to "playing" with the frigates, during the recent FLOTEX exercise the game was now tilted in favor of the frigate.

Unique

Eventually, all the relatively small frigates of the Oslo class, of which Norway has five, will undergo the same modernization program as the KNM Trondheim. In a NATO context, the Norwegian frigates are unique in that they have such a low profile that they make a difficult target for the enemy, but they still have solid weapons that can shoot in all three dimensions—at the air (modernized Sea Sparrow missiles), at the surface (Penguin missiles), and the Tern missiles against submarines. The terns are also scheduled for an improvement.

The large frigates of other NATO countries are now using an ultramodern command-control system, the so-called NATO Data Link 11 system. Rear Adm Pedersen said that using Data Link 11 on Norwegian frigates would have been extremely expensive to the Navy, since it is an extremely complicated matter to convert the existing on-board electronic system. This would have required significant personnel resources. "Since the primary task of Norwegian frigates is to protect supply lines along the coast, we found improving the existing system, which is now being done, would be the best solution," Rolf E. Pedersen told AFTENPOSTEN.

09336

Government Proposes New Army Organization for North

36390059a Oslo AFTENPOSTEN in Norwegian
19 Apr 88 p 10

[Article by Liv Hegna: "New Army Organization in the North Starting in 1991?"]

[Text] A new army organization for northern Norway will be introduced starting in 1991. At any rate, this will be the case if the Storting approves the proposal which the government will submit very soon. The proposal aims at establishing a District Command Northern Norway located in Harstad, at the same time when the Defense Command Northern Norway in Bodo loses its land commander position.

According to AFTENPOSTEN's information, the proposal for the new District Command Northern Norway (DKN) will be submitted before the long-term plan for the coming 5-year period will be presented. This will probably take place on April 29.

Increasing Efficiency

The purpose of the new command in Harstad is to make the command apparatus in Northern Norway more efficient with the idea of accepting national and allied forces.

It can be expected that a handful of Norwegian brigades will fight in Northern Norway in addition to possible allied reinforcements. Of those the American Marine Expedition Brigade (4th MEB) will primarily be employed in the North.

At present, efforts are being made to find a replacement for the earmarked Canadian brigade. The most interesting alternative is currently a force composed of troops from several European NATO countries. The British-/Dutch command brigade is also a possible reinforcement in northern Norway.

Major General

The chief of the new command (DKN) will probably receive the rank of major general, that is the same rank the land commander in Bodo has today. The idea is to attach a "liaison officer" from DKN with the rank of a colonel to the Defense Command Northern Norway headquarters in Reitan. AFTENPOSTEN learned from the Defense Ministry that the present 6th division in Harstad will become part of the Troms Land Defense.

The idea to establish a District Command Northern Norway is not new. This matter has been under consideration for a whole decade, and in the course of this time the commander-in-chief in northern Norway who is stationed in Bodo submitted alternative proposals. From Bodo's point of view it will probably not seem to be efficient to direct the fight in Northern Norway from two headquarters.

From what AFTENPOSTEN learned the idea is to practice preparation and presentation of all the material provisionally stored in Trondelag for the American Marine Expedition Brigade in 1991, that is the first year in which the new command is expected to be in effect.

12831

Bofors Surface-to-Air Missiles Ordered for Armed Forces

36390059c Oslo AFTENPOSTEN in Norwegian
21 Apr 88 p 12

[Article by Hans Chr. Erlandsen: "Missiles Strengthen Air Defense"]

[Text] The Armed Forces made an agreement with Bofors, a Swedish group of companies, for the purchase of air defense missiles with a value of 646 million kroner.

"The missiles give us a much better and stronger air defense than the rockets we have now," Olav Kjetun, coast artillery inspector, tells AFTENPOSTEN.

The missile is a modernized version of the so-called Robot 70, all of which are used in the installations of a number of Norwegian units, particularly in northern Norway. This time, the coastal forts in the Troendelag area will receive most of the new weapons, which will be delivered between 1990 and 1992.

"The effective range will be greater, and thus we have the possibility of hitting planes before they can fire their weapons against us," Kjetun pointed out. Robot 70 has a reach of several kilometers.

The Norwegian Defense Technology (NFT) is the subcontractor for the field sights for the Robot 70. The purchase means an order for 150 million kroner for the factory's division in Narvik.

12831

Oslo Area Anti-Invasion Exercise Includes Spetznaz Role

36390059b Oslo AFTENPOSTEN in Norwegian
28 Apr 88 p 7

[Article by Rune Brynhildsen: "Political War Game in the Oslo Fjord"]

[Text] Horten. Liquidation of Norwegian defense and government leadership. Hostile landing exercises in the northern areas and the Baltic Sea. Spetznaz attacks against forts set up in the Oslo fjord. East European journalists on a study tour in Ostfold. These are parts of the war game in connection with the largest navy defense exercise in the Oslo fjord ever. So far, the exercise "Beach Barrage 88" has been a great success.

"It has exceeded all expectations. We are well ahead of schedule," states the acting chief for the Naval Defense District (OSD) for eastern Norway, Commander Tor Ofteberg.

A political intelligence game with simulated enemy build-up outside Norwegian territorial waters is the background for this test of OSD's ability to mobilize. And so far the leaders of the exercise have been very pleased with the results, despite a few small problems. Among other things, parts of the receiving devices on Rauoy failed on Monday morning, while several professional fishermen create daily problems and delays for the sharpshooters in the so-called center obstacle between Bolaerne and Rauoy.

Yesterday, district officials and delegations from counties around the Oslo fjord attended the exercise. They, too, were impressed with the apparent high efficiency.

"A useful visit for those of us who will assist the Defense with supplies," says Gunnar Alf Larsen, county official from Oslo and Akershus, who even got to try one of Bolaerne's anti-aircraft guns.

Among those who observed the exercise was Jan Linge who followed the motor torpedo boats of the Naval Home Guard. He supported their construction in the fifties, and five of the six remaining MTBs were used in the exercise.

Altogether 2300 officers and troops participated in the exercise, most of them from the areas around the Oslo fjord. The exercise included a full establishment of Forts Rauoy and Bolaerne together with the Naval Defense Station on Hvasser and the headquarters, Karljohansvern, in Horten. In addition, troops from the Home Guard and the Naval Home Guard participated. This afternoon, the last phase of the exercise will start, and the actual fight for the Oslo fjord will begin. Foreign forces, in the form of 10 naval vessels from the Navy's main base in Bergen, three companies from H.M. Royal Guard and the shooting and winter school on Elverum, with support from helicopters and fighter planes from Rygge Air Base will try to drive past the center obstacle and into the fjord. Approximately 3000 troops will participate in this final strike.

12831

PORTUGAL

Warning Sounded Against Spain's 'Invasion' of Defense Field

35420076a Lisbon TEMPO in Portuguese 14 Apr 88 p 8

[Article by Jose Mateus]

[Text] The strategic differences between Madrid and Lisbon have in recent times slowly gained in volume and dimension. As two states with different traditions and realities, Portugal and Spain will naturally have different ambitions and views of their future. All has been well until now, but problems and frictions begin when Madrid's ambitions infringe upon areas of Portuguese competence, using and abusing for that purpose the argument of our impotence, and particularly of our inferior military capabilities.

"If you want me to tell you something I have not already said, all the American combat forces will leave Spanish territory." This was Felipe Gonzalez' statement several days ago in the Madrid parliament, in response to a question put to him by Adolfo Suarez.

The former president of the Madrid government and current leader of the political center wanted to know everything about the base in Torrejon and the American troops stationed on Spanish territory. In the heat of his response, socialist Gonzalez said what he had not said before. Suarez, who is again an important bulwark of

Madrid politics and who is preparing himself as an alternative to the socialists, stated that he took note of Felipe's revelation and demanded that it be recorded in the "Legislative Record."

Gonzalez, however, avoided giving any indication of the schedule which he proposed to carry out this action against American troops stationed on territory dependent upon the Madrid government. His statement serves to show that the Torrejon negotiations were not the end but rather the beginning of revised bilateral relations between Madrid and Washington, and that a certain anti-Americanism has again become a component of the struggle for political dominance in Spain.

All this occurs against the backdrop of the United States' new global strategy—ending the American nuclear umbrella in Europe, betting on victory in conventional warfare in the European theater and on the decisive role of intelligent weapons—and with the continental states of Western Europe (especially France and Germany, but Spain as well) also trying methods and means of reinforcing that which the most timid refer to as the European component of NATO and the more adventurous (linguistically) have already christened the autonomous defense of Europe. At the same time, Portugal is exploring means of increasing and attaining recognition of its role in the Atlantic alliance, after its past ostracism in the times of the "other lady" and the "prec."

Portuguese efforts in that area, initiated even during Mario Soares' government and despite the normal delays for such actions, are now beginning to bear some fruit and to reveal the fundamental lines of this new phase of Portugal's integration into NATO. One of those is clear support for European-American cooperation, with special emphasis on the Atlantic role. There is nothing else compatible, however, with the reality of national interests. On the other hand, bilateral cooperation in maritime forces has arisen as an indisputable component of Portuguese foreign relations.

Without damaging their common integration into multilateral organizations such as NATO and the EEC, the two peninsular states thus seem to progressively assume foreign policies in agreement with the profound reality of each and without fear of either of them widening their differences.

In the Portuguese view of the privileged character of relations with those who command in the Atlantic, Madrid responds with a growing and undisguised interest in the continentalist Bonn-Paris axis into which it is attempting to integrate, giving rise to a Bonn-Paris-Madrid axis. It is in this context that Gonzalez' statement on the departure of all American troops in Spain should be placed and understood.

This ambition passes naturally as Madrid's stated policy in the eyes of its other partners. Thus in terms of the EEC the Gonzalez government has tried to appear as the only

valid voice on the peninsula, despite not hesitating to consult beforehand with Lisbon which, until now, does not appear to have gained much from this process. With respect to NATO, Madrid has tried to exploit the advantages it holds over Portugal in terms of power.

It is in this context that the famous six-point document appears which, among other things, supports the more or less permanent execution of Spanish naval and air missions and operations in the Eastern Atlantic, that is, in Portuguese territorial waters and in our zone of influence. It has justified this by claiming weakness on the part of Portugal's navy and air force, which do not have the means or the capacity to undertake such duties. Another sore point is air control, with Madrid here again trying to enter the Portuguese zone.

Portuguese Blindness

In the view of a highly respected analyst of these questions, although Madrid's ambitions are in no way peaceful, they do not offer overall any doubt as to their objectives: to hegemonize the region, making Spain the true and decisive leader, accumulating capital and trump cards to be able to conduct its own European policy and have something to give in exchange for its admission, with pomp and circumstance, into a Paris-Bonn axis extended to the Atlantic. All this presupposes, naturally, the subjugation of Portugal and of our interests. And all this is the exact opposite of the Portuguese idea on the same issues.

According to the same source, it is clear that each state has its history, its reality and its interests. Glossing over the "anti-American" theme of Spanish public opinion, this analyst does not hesitate to say with some irony that 90 years have not been sufficient to heal the wounds caused by the war of 1898 with the United States, the last international conflict in which Spain was involved, and which it lost. Still speaking ironically of the so-called "Aljubarrota" and "1580" complexes, our source would say that a state not only has the right but also the obligation to defend its interests. Consequently, "it is not Spanish ambition that worries me but rather the blindness of some Portuguese and, to a lesser degree, of some favored allies, such as the Americans who have not yet perceived that, on demanding integration of the Azores into the same NATO command as the rest of the national territory, Portugal is not assuming an anti-American position but is rather defending the strategic interests of Portugal and, as a consequence, that of its favored allies."

13026/9274

Possible Succession of Air Force Chief Discussed 35426076b Lisbon O JORNAL in Portuguese 15 Apr 88 p 11

[Text] Gen Brochado de Miranda will end his duties as Air Force chief of staff in August and cannot be reassigned because of some already visible staffing movements to assign a replacement.

Just as occurred recently with the Army chief of staff, the government will not follow the hierarchical line, that is, it will not promote the nomination of the current deputy chief Gen Costa Gomes.

The three most senior generals of the air force are Conceicao e Silva, currently chief of the military house of the Presidency of the Republic, Lino Miguel, who has been for more than 10 consecutive years minister of the Republic for the autonomous region of Madeira, and Paulino Correia, who is charged with the role of adjunct to the Armed Forces chief of staff.

All of them have the background to be Air Force chief of staff, although in the cases of Lino Miguel and Conceicao Silva the two current positions could be significant obstacles for their respective candidacies.

In recent weeks there has been some movement around Gen Mendes Dias, who already served as chief of state of the Armed Forces during one of the most difficult and complex periods of Portuguese history, a position he would abandon in 1975.

Another Air Force general is also ready to be replaced, this time at the top of the current military hierarchy. Jose Lemos Ferreira will leave his position as chief of the Armed Forces General Staff at the beginning of the last quarter of this year. He is currently the only military leader holding a seat on the Revolutionary Council.

The Navy Wants CEMGFA

A possible replacement is Gen Firmino Miguel, who, not reassignable more than once in his current position, is the military leader that best matches the preferences of the president of the Republic and the government to occupy the top of the hierarchy.

However, the Navy chief of staff together with political leaders will be applying pressure for an admiral to occupy the position of chief of the Armed Forces General Staff.

The argument, which does not, however, have legal support, is that those functions should be rotated among the Army, the Air Force and the Navy, and for that reason it is now the turn of an admiral to be the next chief leader of the military hierarchy.

13026/9274

EUROPEAN AFFAIRS

Nordics Sign Agreement on Joint Gas Network *36390057b Oslo AFTENPOSTEN in Norwegian* *11 Apr 88 p 32*

[Text] Statoil, Vattenfall in Sweden, the state oil company Neste in Finland, and Dong in Denmark have all agreed to invest in the establishment of a common Nordic gas network in the 1990's, according to the newspaper ADRESSEAVISEN. In addition to this, Statskraft is now in the final stages of negotiation with the Finnish government power plant Imatran Voyma Oy concerning the sale of 4 billion kilowatt hours of electrical power, based on deliveries from a gas power plant in central Norway. According to Petter Skjeldstad, chief press officer at Statskraft, it is hoped that these negotiations will be brought to a conclusion within a month or so, by May at the latest.

There is no doubt that an agreement concerning the sale of 4 billion kilowatt hours from a central Norwegian gas power plant, based on deliveries from Haltenbanken, will be of great significance for areas outside of central Norway, according to the newspaper.

9584

Norway, Belgium Sign Accord on Zeepipe Gas Project *36390057a Oslo AFTENPOSTEN in Norwegian* *15 Apr 88 p 33*

[Article by Flemming Dahl]

[Text] Petroleum and Energy Minister Arne Oien served champagne yesterday in the mid-morning when he and his Belgian colleague Firmin Aerts signed an agreement covering some of the legal aspects of bringing Norwegian gas onto Belgian soil.

Gas from the Sleipner and Troll oil fields in the North Sea will now reach land in the Belgian harbor city of Zeebrugge, after being transported through the proposed Zeepipe pipeline system—a sea-going transport artery whose costs are estimated at 15 billion Norwegian kroner.

Belgium is only one of six nations on the continent which has arranged for purchase of gas from the Sleipner and Troll fields. The other nations are France, the Netherlands, Spain, West Germany and Austria.

Norpipe and Zeepipe

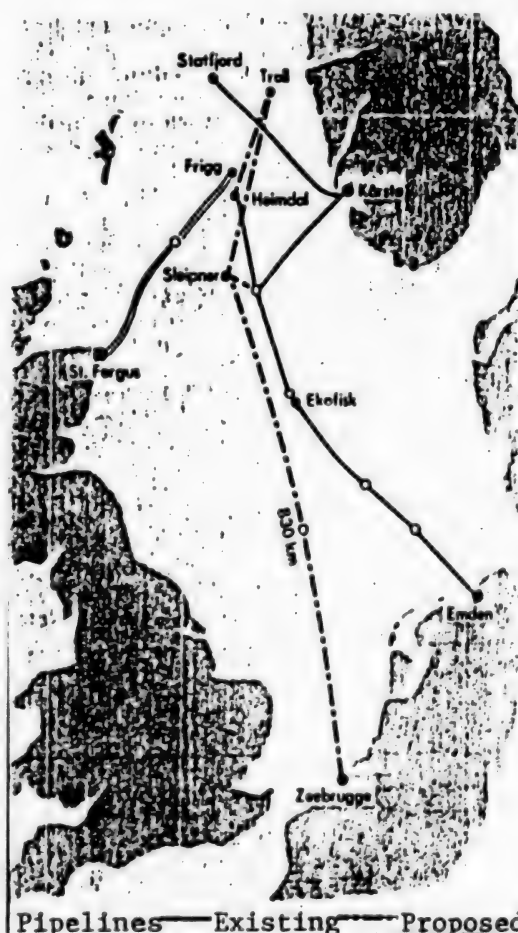
Some of the gas will reach the continent by way of the existing Norpipe pipeline system, which goes to Emden in West Germany. But Norpipe was originally built to accommodate gas from other Norwegian oil fields and does not have sufficient capacity for all the new gas. This was the reason behind the Zeepipe project, which will start operating in 1993.

Countless agreements have yet to be made in connection with the sales and transport of gas from Sleipner and Troll. Yesterday's signing ceremony was only one in a series of many, but each one of them represents an important step. This explains why Oien brought out the champagne.

Oien and Energy Minister Aerts put their signatures simultaneously on the document, which is intended to keep Norwegian and Belgian citizens from paying taxes twice—as well as to prevent them from avoiding paying taxes.

Straight Into the EEC

Zeebrugge is not far from Belgium's capital, Brussels, where the headquarters of the EEC is located. Both Oien and Aerts see it as symbolic that a pipeline from the non-EEC nation of Norway should end up, so to speak, in the heart of the EEC. Oien said that the Zeepipe will strengthen relationships between Norway and Belgium, and he also said: "I see this as especially important in a time of increasing integration in Europe."



Aerts designated the Zeepipe agreement as "very important, also for its political consequences. This means that Norway can continue to cultivate good long-term relationships with the EEC nations."

The precise route for Zeepipe along the ocean floor has not been mapped out yet. But conditions indicate strongly that it will traverse Norwegian, Danish, West German, Dutch and Belgian territory before it comes to an end in Zeebrugge. Two other route possibilities involve British territory, but they are less likely to be used.

Officials signed yesterday in Oslo one of the many agreements that must be reached before Zeepipe—from Sleipner and Troll to Zeebrugge—can be installed on the ocean floor. Zeepipe will be longer than any of the existing oil or gas pipelines in the North Sea area.

9584

FRANCE

Unemployment Drops Sharply

35190058 Paris LE MONDE in French 27 Apr 88 p 41

[Article by Alain Lebaube]

[Text] Unemployment dropped sharply in March, according to the statistics published on Monday 25 April by the Ministry of Social Affairs and Employment. In unadjusted figures, 2,547,800 jobseekers were registered with the ANPE [National Employment Agency] at the end of the month. That is 3.3 percent fewer than in February of this year and 4.9 percent fewer than in March 1987. In adjusted figures, the estimated number of unemployed at the end of March was 2,535,100, or 46,800 fewer than the month before (-1.8 percent), for a drop of 4.7 percent in 1 year.

According to the INSEE [National Institute of Statistics and Economic Studies], the unemployment rate was 10.3 percent of the active population, compared to 10.7 percent a year earlier. But while massive, that decline does not wipe out the effect of the increase that began in March 1986 (2,467,000 unemployed in adjusted figures).

As soon as they were made public on the day after the first round of presidential balloting, those good results became the object of polemics and political sniping. Speaking for the PS, Michel Delebarre pointed out that the figure in question "is not credible" after 3 months of a steady increase. The former Socialist minister suspected Jacques Chirac and Philippe Seguin of having invented, for the occasion, "a new concept, that of unemployment in 'CEP' data—that is, unemployment 'camouflaged for electoral purposes.'" Seguin immediately replied by calling on his predecessor to be careful "how he words his criticisms." He threatened: "If the honesty of those responsible for establishing statistics were called in question, I would not hesitate for an instant to demand satisfaction from him by all possible

legal means." For his part, Chirac, speaking as a guest on TF-1's televised news, expressed satisfaction with the success achieved, seeing it as the reward for the policy he had pursued. The prime minister and RPR candidate emphasized that those monthly data were confirming a downward trend "for the first time in 15 years."

Upturn in Renewed Activity

In fact, it has been a long time since such a big change in the unemployment figures has occurred—one must go back to September 1985 to find an approximately similar change in adjusted figures. Chirac and Seguin can therefore pride themselves on a fine success that is occurring unexpectedly between the two rounds of balloting. One can even ask oneself why the news was delayed, considering that it was known to the Ministry of Social Affairs and Employment on the morning of 22 April and might have influenced the voting.

As often happens, however, statistical reality is more complicated than a few favorable data would make it appear. Clear-cut though it may be, the drop seems to be due to two main factors and to a special situation that existed in March.

First of all, we should note the confirmation of an improved labor market. In adjusted figures, new registrations with the ANPE dropped by 6.8 percent in a month's time and by 3.1 percent in the space of a year. That may be due to fewer layoffs, although the number of newly unemployed due to termination of their temporary jobs or the expiration of fixed-term contracts is continuing to rise. The resumption of early FNE [National Employment Fund] retirements following the excessive firing of wage earners over 56 years and 6 months of age might also explain the phenomenon.

Along with that, and this is an even better sign, we are witnessing a sharp increase in resumptions of activity (+10 in 1 month and +8.3 percent in 1 year), with the resulting rise in employment following a period of unemployment. That is a further indication tending to prove that the drop in employed manpower has been halted at least temporarily, as was already indicated by the ANPE and ASSEDIC [Association for the Promotion of Employment in Industry and Business] estimate for 1987 (see LE MONDE, 16 April).

Next we come to the less positive reasons for the drop in unemployment, even though some of the measures in question are justified. The social measures which were restarted last spring are operating at an accelerated pace and are certainly having an effect. Programs for retraining the long-term unemployed or preparing young people between the ages of 18 and 25 for employment have progressed to the point that the number of unemployed entering training programs has risen by 23.6 percent in 1

month and by 81 percent in 1 year. Whereas the alternating training contracts for young people are being ignored, the SIVP [Introductory Training Programs for Vocational Life] programs are holding their own at a consistently high level.

Lastly, the number of names removed from the lists increased by 20.1 percent in 1 month and by 22.8 percent in 1 year. Of that number, 9,749 were removed in February, but their removal was not recorded until March. Nearly 100,000 unemployed persons were called in during the month, and the result was the removal of names from the roll. The procedures for registering unemployed persons with short-term temporary contracts were also revised.

Basically, none of that makes much difference. While unemployment among those under 25 years of age has sharply declined, especially in the case of men (-16 percent in 1 year), the situation of women between the ages of 25 and 49 has grown worse. Improvements for the former have been reflected in greater vulnerability for the latter. Job insecurity has increased, and the result, after successive trips back to the ANPE, has been to swell the ranks of the long-term unemployed. There were 793,083, or 31.1 percent of the total, who had been registered with the ANPE for over a year, and half of those had been registered for over 2 years. The average length of unemployment is 358 days, or 6 days more than the previous month and up 2 days over last year. Unfortunately, good results for a single month do not correct basic trends. Despite the social measures and despite the stability in hourly employment that has been restored for the moment—or even the improvement in the employment picture—the burden of unemployment is not going to be alleviated by the creation of 25,000 new jobs in a year's time.

11798

ITALY

Friuli Industry To Furnish USSR With Turnkey Plants

35280118 Milan IL MONDO in Italian
28 Mar 88 pp 65, 66

[Article by Ettore Tamos]

[Text] These days, employees and managers of Cogolo in Udine, the group leader in Europe in the tanning sector, are collecting money. On display in the glass showcase is the wedding announcement of a colleague, Alberto De Paoli, who has worked at the company's Moscow office for a few months, and Nuria Asisova, a Russian girl. [This is] an unusual event which is no longer a news item in Udine. In fact, there have already been about 50 marriages between emigres from Friuli and Russian girls, marriages that are indicative of the intensification of relations between the two areas. Social relations as a

consequence of business relations, but with new noteworthy aspects. Friuli no longer exports laborers but technology and technicians who must apply it. Friuli and the USSR exchange not only goods but especially know-how and productive structures. In fact, the Friulians have specialized in selling to the government in Moscow advanced turnkey factories ranging from steelmills to shoe-factories, and they receive cash payments in Italian currency. This business, that is increasing the trade balance for the region, has given rise to an industry specialized in organizing the export of luxury and high value-added items. There are those who organize the services connected with this industry [il catering] and those who take care of logistics. Some construction companies have formed consortiums for public works, others have set up a continuous flow of Tir trucks (more than 150 per month) for the transport of materials. At the Ronchi dei Legionari airport, Aeroflot is by now an established company with frequent weekly flights. In order to earn twice as much, many technicians have decided to give up a steady job and become contractors so they can move on to a new contract when one ends. [They are] not alone. Wages of 3 million [lire] per month for a skilled worker are tempting to workers of countries of lower industrial development. They leave their countries and are organized into subcontracting companies which have won contracts in Friuli. By now there are about 100 Yugoslavs and Portuguese who are working in the USSR via Udine. "We believe that we've won the Soviets' trust by completing contracts early for many years, with the desired results, by collaborating with Soviet technicians whom we have learned to appreciate and respect. It is natural that the USSR would think of us now that new initiatives have come up," says Cecilia Danieli. She is the managing director and president of a group building steelmills which is listed on the stock exchange. This group closed the first half of the 1987-88 fiscal year with 205 billion [lire] total sales and 33 billion [lire] profit before taxes. "We built the first two tanneries in 1973 and since then they have been operating satisfactorily and produced more than what was projected," confirms Alessandro Cogolo. The Russians have turned to a Friuli company, Casagrande, to restore the Chernobyl area.

Danieli is currently testing a steelcord manufacturing factory [equipped] with Pirelli technology, and is also completing the hot-testing of a plant for making drill rod in Sumi—in the Ukraine—in cooperation with Voest Alpine in Schöbin. One thousand people [were] employed during peak periods, 150 of whom were direct employees of Danieli's group, but with flexibility written into their contracts. A labor market was created for specific professionals who were willing to work a cycle of 3 months in the USSR (even at 40 degrees below zero) followed by a two-week stay at home, until the contract ends. They then seek new employment that lasts from 1 to 3 years, [but] not [necessarily] in the USSR. "At this time we have 300 people abroad who are setting up mini-steel-mills in the US, the Orient and North Africa. "Some 85 percent of our sales are made abroad," confirms Cecilia

Danieli. Temporary employees, however, are hired by a special assembly company, Mmt, which invoices about 12 billion [lire] per year. Then there's Ceda, with 30 billion in sales with 200 employees, which specializes in electrical plants and which confirms that plant engineering abroad represents a source of good business for Friuli groups. Ceda, for example, is participating in the setting-up of one of the two tanneries that Cogolo is building in the USSR for a value of 500 billion [lire], a volume of business that is favorably affecting the development of the group. In order to manage the contracts abroad and particularly in the USSR, Cogolo has established a company, Proteco, to run the contracts. One third of the business ends up in construction, which is assigned in general to Codest, a consortium chaired by Mario Carlutti that is made up of the companies Rizzani De Eccher, Cisa (the Ferruzzi group) and Cea (controlled by Carlutti and by Astaldi). One third of the contract covers technology which is handled by Cogolo engineering. The remaining goes to various companies, from Cei of the Techint group to Ceda, and from Aster of Milan to Rossi-moda.

"Everything for the factories, from bolts to light-bulbs, comes from Italy," explains Giancarlo Trivelli, president of Proteco. By now we've sent 6,500 trucks. In order to avoid complications, the factories are the full responsibility of Friuli companies, excluding 1) the choice of exterior which has to be compatible with the surrounding environment (the five-floor shoe-factories look like condominiums) and 2) the rigid controls on technical regulations, for example, on pollution. "The tanneries constructed in the USSR are the most advanced in this sense." Two million pairs per year is the capacity of each of the first three shoe-factories opened last year by Cogolo in Moscow, Togliattigrad and Kaluga. And in the Autumn, two more tanneries in Riazan Minsk will start up before the agreed-upon 36-month deadline. Danieli is negotiating new contracts, while Proteco has just signed an outlined agreement, a letter of intent to build or restore another 13 buildings.

13209/7310

PORTUGAL

Favorable Trade With USSR, Projects Under Review Described

35420070a Lisbon O DIA in Portuguese 23 Mar 88 p 8

[Text] Soviet trade representatives in Lisbon announced yesterday that trade between Portugal and the Soviet Union reached 14.812 million contos in 1987, 1.262 million contos more than in 1986. According to the head of the Soviet Union's legation, Iuri Leonov, the trade balance between the two countries favored Portugal by 1.2 million contos.

Compared with 1986, the amount of trade between the two countries decreased in 1987. Portugal bought goods valued at 6.806 million contos (0.36 percent of total Portuguese imports as opposed to 0.53 per cent in 1986).

In the last year, Portugal exported goods valued at 8.06 million contos to the Soviet Union, that is, 0.62 per cent of total Portuguese exports as opposed to 0.71 percent in 1986.

Oil heads the list of products bought by Portugal from the Soviet Union. It represents more than 50 per cent of the volume of Portuguese imports from this country. In addition to oil, among other things Portugal also imports tractors, chemicals, frozen fish, machinery, tools and bearings.

"Sea/river" type ships built by the Viana do Castelo shipyards make up the biggest chunk of Soviet orders. In 1987, three boats were delivered to the USSR with a similar order expected for this year.

Some of the other products the USSR buys from Portugal are: tomato paste, footwear, cork, textiles, ready wear and molds for the plastics industry.

The Soviet trade representative in Lisbon feels it is urgent to change the traditional structure of trade between Portugal and the USSR. This structure, according to him, "is essentially based upon the simple exchange of goods."

"We are in a position of advancing to new forms of economic cooperation, such as the creation of mixed enterprises or other joint industrial projects," defended Iuri Leonov.

Projects

Leonov also stressed that the economic cooperation agreement signed in November 1987 during Mario Soares' visit to the USSR is "a solid base for this development".

Iuri Leonov also enumerated a number of cooperation projects between the two countries that are currently in the study phase, namely with SOREFAME, METALSINES, and LISNAVE.

As for the project with SOREFAME to provide rolling stock, the head of the Soviet trade legation in Portugal explained that it may yet be signed this year. As for METALSINES, Iuri Leonov added that the project to supply railroad cars to transport automobiles is already in the technical phase. On LISNAVE, Iuri Leonov added that this firm has just concluded a general agreement to provide maintenance and repair to soviet fishing boats.

He also announced that LISNAVE already has a proposal ready for a more wide ranging agreement with the USSR's Merchant Marine Ministry and "if all goes well, it should give LISNAVE approximately \$8 million worth of business per year.

Iuri Leonov also added that the Soviet Union's talks with CENTREL and PROFABRIL are way behind, however, a Soviet delegation will travel to Lisbon already in April to discuss and study technical questions concerning the sale of natural gas to Portugal and the possible construction of a gas pipeline.

Finally, the Soviet trade delegate in Portugal explained that "a Pao de Aucar store will soon open in Moscow, the negotiations for this have already reached the level of what goods to offer."

"In exchange, Soviet firms will open a store in Lisbon which, in principle, will sell traditional soviet goods," he concluded.

09935

Proposed Third Energy Plan To Have Different Emphasis

35420070b Lisbon *DIARIO DE NOTICIAS*
in Portuguese 6 Apr 88 p 3

[Text] The Industry and Energy minister named the members of an advisory committee and an executive group to prepare a National Energy Plan (PEN) that will be substantially different from the two previous plans.

Approximately 50 specialists from various organizations make up the advisory committee and the executive group of the National Energy Plan.

The secretary of state for energy, Nuno Ribeiro da Silva, explained yesterday that these groups of specialists should present a first paper containing the plan's basic principles in the beginning of 1989.

"It will not be a finished paper and it should be taken as an initial systematization of the data," said Nuno Ribeiro da Silva.

"The plan will not form a legal framework for energy. Instead it will be a flexible instrument capable of providing information at any time on the energy implications and the outcome of the choices being made," stressed the secretary of state.

The two previous national energy plans, in 1982 and 1984, were definitive documents containing rather inflexible projections and forecasts which very quickly became irrelevant. These two plans had a time frame of up to the year 2005.

The secretary of state also underscored that the next plan will take a broad look at the energy sector. It will not concentrate on electrical energy as the previous plans did.

In effect, in the 82 and 84 plans, the energy problem revolved around how could we resolve "the electricity production problem: should electrical energy be produced with more gasoline, with more gas, with more coal or with recourse to nuclear energy."

09935

SAN MARINO

Italy Disputes VAT Inequities; Concerned About Flight of Capital

35280121 Milan *ITALIA OGGI* in Italian
21 Mar 88 p 2

[Article by Claudio Valenti]

[Text] San Marino—The Emilia-Romagna region is declaring war on San Marino. The reason: illegal commercial activity and unfair competition. An official letter has been sent from Bologna to Minister of Foreign Affairs Andreotti and Minister of Finance Gava; it requests revision of the agreements on trade and the establishment of a VAT office on the border between Italy and San Marino.

Bill of Indictment

Previously, however, a bill of indictment was drawn up that was quite harsh and detailed for an organ of the government to issue. "The Government of San Marino," the Emilia-Romagna region explains, "in applying its own tax laws—which are based on a tax on imports of approximately 4 to 5 percentage points below the Italian VAT—has a need to apply strictly the provisions that relate to incoming merchandise, whereas it has no interest in controlling outgoing merchandise on which it must refund the tax."

The region goes on to state that "the merchandise that leaves San Marino is accompanied by a document which outwardly resembles Italian stamped paper but produces effects that are quite different. The fact is that in San Marino this stamped paper is not subjected to cross-checking between waybills and invoices. Consequently, if the stamped paper is not used to invoice the merchandise exported to Italy, as far as the record is concerned the merchandise never existed and therefore the VAT, IRPEF [individual income tax], IRPEG [corporate income tax], and ILOR [local income tax].

"The practical effect of this situation," the document continues, "is that merchandise accompanied by these San Marino waybills regularly passes through Italy without the Italian inspection and control authorities being able to effect any substantial control, to the enormous detriment of the Italian treasury."

The situation is further aggravated by the differences between the respective taxation systems of Italy and San Marino: the VAT is imposed in Italy on the selling price, and in San Marino on the purchase price; in San Marino, lower rates are in effect, and payments may be made over a longer term; and the municipal taxes that are imposed on Italian commerce are unknown in San Marino.

What Will Be the Response to Andreotti and Gava?

The Emilia-Romagna region has estimated that the average differential in favor of San Marino's commerce is 15 percent on the initial value of the merchandise. What will be the response of the ministers of foreign affairs and of finance? The "crisis" also threatens to involve the relations between some of the political parties of the two countries. The DC-PCI administration and government of San Marino (on the eve of the elections) are in fact up in arms against the accusations. Says Gilberto Ghiotti, secretary of the PCI: "We are the first to acknowledge that certain problems do exist, but they must be confronted correctly and not with policy positions adopted in this manner, as the Emilia-Romagna region has done." Even the DC is protesting. The foreign affairs secretary, Gabriele Gatti, declares: "Bologna does not have jurisdiction over questions that belong in the sphere of intergovernmental relations between Italy and San Marino."

San Marino delivers a one-two punch: with one hand, tourism, postage stamps, and coins, and with the other, a tax paradise. Attracted by this "strange" country of 60 square miles that is situated at an elevation of 750 meters, a total of 2.8 million persons visited it last year. The official statistics make even the Arab emirates envious: 21,000 automobiles for 22,000 residents; 2,545 registered businesses; four banks; free and comprehensive health care; minimum pensions of 600,000 lire per month, indexed; voluntary military services; and unemployment at under 5 percent. And for those who wind up in prison, conjugal (including even sexual) visits are permitted.

A New Agreement Is Necessary

Relations between San Marino and Italy are governed by a 1939 agreement signed by Mussolini. For some time there has been talk of revising this agreement, but a mixed Italian-San Marino commission—whose creation was authorized in January 1987—has not yet been installed in office. Meanwhile, there is talk of 1 trillion lire on deposit in the banks of the little republic, one of which (the Industrial Credit Bank) has been acquired by

Luciano Benetton, while General Insurance is preparing to give birth to the "San Marino General Insurance Company," the first firm to locate its home office in San Marino.

An insight into what is happening in the banking and financial sector in San Marino was provided by Paola Magnani, wife of the wealthiest hotelkeeper in Rimini, Pierpaolo Amati. To get revenge on her husband—who had left her for another woman—she told the Finance Guard all about the family's affairs. This resulted—among other things—in the departure of the billion-lire deposits of Giancarlo Fabbri, the very famous horse breeder, former vice president of UNIRE (the entity that manages Italian horse racing), and business partner of Amati.

Fabbri was accused by the Finance Guard of the clandestine export of capital but was absolved by the Rimini Court, although in the court's decision the Italian authorities were put on their guard. "As matters now stand," the judge wrote, "the Exchange Office and the Bank of Italy do not have jurisdiction with respect to supervision of San Marino's banks. Hypothetically, therefore, the opening of checking accounts in San Marino could be the first in a series of steps for the light of capital; but this first step is currently not illegal." The office of the Attorney General of Bologna is of the same opinion. "By being deposited in San Marino," it says, "money can go undetected by the authorities, and its final destination cannot be ascertained."

Attempts To Bring Order

Even Nino Andreatta—when he was minister of the treasury—manifested his concern over this "Liechtenstein" in the heart of Italy. Responding in the following manner to the questions of a communist member of parliament, he said: "It is well known that Italian residents have sometimes engaged in illegal capital formation abroad, by availing themselves of existing structures in San Marino (and in Vatican City). It is believed that this has been made possible by the fact that the agreement with San Marino appears inadequate to solve the problems of the present moment (no agreement at all exists between the Italian Republic and Vatican City covering currency matters).

In November 1985 Minister of Finance Bruno Visentini decided to bring order to the relations between Italy and San Marino and ordered that a VAT office be opened on the border. That got the folks in San Marino up in arms, and Visentini was forced to suspend his decision; a subsequent meeting between the respective ministers of foreign affairs (Gatti and Andreotti) decreed that Italy would not take unilateral action pending the decisions of an appropriate commission. And because the commission is still in a limbo of good intentions, nothing has changed to date. The Emilia-Romagna [issue] has been disrupting this "quiet life." Regional Adviser Giuseppe Chicchi comes to the conclusion that "San Marino must

adapt its commercial behavior to the principles of open competition—and to the directives concerning free trade in the international arena—in a spirit of reciprocal equality.”

10991/9274

TURKEY

1987 Export Foreign Exchange Figures Reported 35540134b Istanbul DUNYA in Turkish 8 Mar 88 pp 1, 10

[Text] Ankara (DUNYA)—Last year \$2,585,559,000 in foreign currency were allocated to import raw and supplemental materials. Export commitments to offset this foreign exchange allocation were determined at \$6,215,252,000.

Funds allocated to the manufacturing industry were 99.7 percent of the total foreign exchange allocation. Accordingly, \$2,576,167,000 in foreign exchange funds were allocated to the manufacturing industry for 2,062 licenses. The manufacturing industry had contracts totaling \$6,107,519,000 worth of exports in exchange for its foreign exchange allocation. This was 98.2 percent of all export commitments in 1987 in return for raw and supplemental material imports.

In the manufacturing industry, the textile and clothing sector was in first place with \$435,006,000 in foreign exchange allocations. The textile and clothing sector, with its 16.8 percent share of total allocations of foreign exchange, had export contracts valued at \$1,016,045,000.

The iron and steel sector, also under the general heading of manufacturing industry, is in the second place in terms of foreign exchange allocations. It received \$350,635,000 in foreign exchange. The iron and steel sector had \$818,394,000 worth of export contracts. The leather sector, in return for its \$345,977,000 export commitment, was allocated \$154,910,000 in foreign exchange to import raw and supplemental materials. The leather sector took third place in total foreign exchange allocations within the manufacturing industry.

The agriculture industry had only, \$5,438,000 in foreign exchange allocations for all of 1987. To make up for the foreign exchange allocation to import raw and supplemental materials, the agriculture sector committed itself to \$78,764,000 worth of exports.

In 1988 [as published] while the mining and services sectors were not allocated foreign exchange, the energy sector was allocated \$50,000. The energy sector, whose share in total foreign exchange allocations is negligible, had \$100,000 in export contracts.

13430/9274

DUNYA Scolds Government for Bank Policy 35540134a Istanbul DUNYA in Turkish 8 Mar 88 p 1

[Editorial: “If Words Were Silver”]

[Text] State minister in charge of economy, the younger Ozal, in his meeting with the chairmen of chambers last Saturday, made charges against the banks and announced that they would make some important decisions. Meanwhile, the chairman of Istanbul Chamber of Commerce, God bless him, loosened merciless denunciations on the press. Why they did these things is difficult to understand. First of all, if there is anyone who can explain what sin the press has committed, please step forward. They are the ones who speak, they are the ones who accuse. Now, how can the people who report these things be guilty? As far as we are concerned, Adiguzel has been unfair. To have a good name [adi guzel] is possible; however, in order to speak good words, the chairman of the Chamber of Commerce should take lessons for some time from his close friend, the mayor of the metropolitan area.

What is important, of course, is the banks. Why the younger Ozal accused the banks is also difficult to understand. Most of these banks are state enterprises. Having been used as instruments of all sorts of politics, how much do they differ from private banks? Are not the public banks leading the way in virtually every field, from bad credit to unfair commissions? If you take a look at bad credits, most of them belong to public banks. Again public banks were among the institutions which caused the brokerage scandal of recent years. Now too, the arbitrarily managed institutions are public banks are they not? Some of them do not even have governors, and others freely practice whatever pleases them. If the people in charge of the economy cannot make even these directors general under their command listen to them, it stems from their sagacity [as published].

As to private banks, it is not so easy to find an advantageous one among them because any capital lost is their own. On the other hand, why should they be accused of acting overly cautious in order to protect their assets in an environment of indecisiveness? They certainly should have their own criteria and take certain measures to protect their money. Is there any illegal procedure among these measures? Or is it, rather, deficiencies of the law which drive them in that direction? Does anybody wonder what a person should do if he issues credit but does not get paid back, if he sells foreign currency, but cannot buy more at the same price, if he pays very high interest for demand deposits to compete with the high interest rates paid on deposits by state banks?

In our view, it is wrong to place the blame on the bankers. The blame should be placed squarely on the government and on its intermediary institutions. Right must be separated from wrong in these matters. To accuse the private sector without reason will not benefit anyone. Therefore, it should not be forgotten that every word uttered will be as valuable as gold.

13430/9274

ITALY

Alcoholism Statistics Worse Than Expected 35280127 Rome LA REPUBBLICA in Italian 3-4 Apr 88 p 18

[Article by Claudio Gerino]

[Text] Rome—What's better than a good glass of wine during meals? Even the state, in the Ministry of Agriculture's publicity on wine, emphasizes its benefits to health and the Italian economy. Golden clusters of grapes that, through natural processes, are transformed into the "nectar of gods"; hops that become frothy beer; expert distillations make whisky and aperitifs for our bars. A yearly turnover of hundreds of billion [lire], advertising investments which in 1986 (the most recent figure available) surpassed 4,100 million lire. Alcohol is part of our daily "diet." It is also one of the leading causes of death.

Because of alcohol, more than 17,000 people die in Italy every year. [This is] a figure which, if compared to that of drug victims (400-500, which arouses much alarm in public opinion and in government), should unleash powerful campaigns against the use of alcoholic substances. And yet none of this happens. On the contrary, there's a kind of repression of the alcohol problem. An Italian doesn't drink; he doesn't have any alcoholic friends; he doesn't know of any tragic situations provoked by alcohol abuse, but at the same time maintains that an excessive amount of alcoholic substances are consumed in Italy. [There is] a true split between an awareness of the problem and a refusal to recognize the dramatic extent of the bewildering increase of alcohol abuse.

This is the second report on alcoholism in Italy drafted by ISPES, the Institute of Economic, Political and Social Studies. "The boundaries between alcoholism and nonalcoholism, between alcohol 'that's good for you' and alcohol 'that destroys,'" says ISPES president, Gian Maria Fara, in the preface to the study, "can no longer be confused and blurred." The absolute lack of reliable statistical data "makes its quantification difficult; the phenomenon becomes elusive; the 'basis' for building a serious argument is lost."

In addition to this statistical disinterest, there's a significant absence of the state, the absolute silence of the legislature which, when it comes to the alcohol problem, finds an ally, according to ISPES, in the news media. "Public opinion, almost 'accustomed' to the lack of information," writes Gian Maria Fara, "ends up thinking that alcoholism is a phenomenon inherent to society, inevitable and impossible to eliminate." In short, alcoholism is, of course, a social problem, but in the last analysis is a private matter. The hypothesis presented by ISPES in its study is that "alcohol and alcoholism are not so much the object of a conscious silence, but rather of a more complex masquerade phenomenon" that arises from economic interests. "Italians therefore have a

schizophrenic perception of the problem: drinking alcohol is culturally gratifying and is a part of the historical heritage of our country; the harm caused by alcohol, however, is a personal matter."

The Facts

ISPES interviewed a cross-section of 2,000 individuals, representative of all of Italy. Here are the initial, disconcerting results: 87.3 percent say that there is an excessive consumption of alcoholic beverages in our country. It is always "others" who drink too much: 66 percent of those interviewed do not drink more than 1 quart of wine, or one or two shots of hard liquor in a day. Only 1.9 percent admit drinking 1 liter of wine per day. This reticence derives from the fact that at the social level, alcoholism is always associated with negative values and can only be endured with tremendous guilt. These fears are confirmed in an analysis of what the Italians believe to be the fundamental causes behind alcohol abuse, causes external to the individual (social problems, unemployment, problems at home, financial problems, etc.), but especially causes intrinsic to the personality of the alcoholic: isolation (18.2 percent), psychological problems (12.6 percent), insecurity (8.4 percent), emotional needs (5.3 percent), disappointment (4.8 percent). Only 10.6 percent of those interviewed felt that "the pleasure derived from alcohol" was a sufficient, and non-guilt-ridden, motive.

According to 81.5 percent of Italians, our laws are inadequate to control and restrict the phenomenon of alcoholism. More than half (51.4 percent) are in favor of regulating the sale of alcoholic beverages. Those opposed to this idea are for the most part men (50 percent) who give as their reason the fact that a law would not resolve the problem of alcoholism.

The Consumption of Alcohol

In Europe the use of alcoholic substances is on a steady increase. In the last 30 years the consumption of alcohol has tripled. But with regard to Italy, complete information is not available. There are only some extremely significant indications. In 1984, there was an influx of hard liquor in Italy: more than 38 million bottles valued at around 145 billion [lire]. Some 44 percent was Scotch whisky.

Victims of Alcohol

ISPES deplores the "impossibility of finding reliable data in Italy" and emphasizes how there is a constant underestimation of the extent of the phenomenon. According to an analysis of the ISTAT [Central Statistics Institute] data made by ISPES, 33 percent of car accidents in our country are due to alcohol abuse. Every year in fact, 90,000 accidents (resulting in about 2,500 deaths) are caused by people driving under the influence of alcohol. But the number of victims due to alcoholism is far greater. The number of deaths in 1985 (the most

recent figure available) was 17,238. Of these, 8,504 were due to cirrhosis of the liver; 3,602 to cancer of the mouth and esophagus brought on by drinking alcoholic beverages; and 412 to domestic accidents. According to this estimate, alcohol has claimed more than 95,000 victims over the past 10 years.

Cirrhosis More Dangerous Than Car Accidents

| Causes of Death | Number of Deaths |
|-----------------------------------|------------------|
| Alcoholic neurosis | 284 |
| Alcoholic psychosis | 35 |
| Cirrhosis of the liver | 8,504 |
| Cancer of mouth and esophagus | 3,602 |
| Tuberculosis of respiratory tract | 464 |
| Homocides | 664 |
| Suicides | 920 |
| Car accidents | 2,353 |
| Domestic accidents | 412 |
| Total | 17,238 |

Social Costs

It is impossible to determine the economic and social cost of the spread of alcohol. According to ISPES, this is partly due to the general underestimation of the phenomenon, and partly due to the difficulties raised by the lack of adequate statistical support regarding: 1) the number of sick due to alcohol, 2) the length of their absence from work, and 3) the costs of specific recoveries.

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